

Charity Registration No. SC029923 (Scotland)

Company Registration No. SC204375 (Scotland)

FINDHORN VILLAGE CENTRE

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

FINDHORN VILLAGE CENTRE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mrs Susan Horn Ms C M Hunt (MBE) Miss Maureen Hyde (Vice-chair) Mr Gary Hunt Mr Samuel Russell Mr Bryan Parsons Mrs Jill Killen Mrs Catherine Low
Charity number (Scotland)	SC029923
Company number	SC204375
Principal address	Findhorn Village Centre The Old School House Church Place Findhorn Moray IV36 3YR
Registered office	Findhorn Village Centre The Old School House Church Place Findhorn Moray IV36 3YR
Independent examiner	Cathedral Accountancy Ltd. 4 North Guildry Street Elgin Moray IV30 1JR
Bankers	Bank of Scotland 102 High Street Forres Moray IV36 1PA

FINDHORN VILLAGE CENTRE

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FINDHORN VILLAGE CENTRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2018

The trustees present their report and financial statements for the year ended 31 December 2018.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's current statutory requirements, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "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)" (as amended for accounting periods commencing from 1 January 2016).

Objectives and activities

The charity provides facilities to the general public for the enhancement of educational activities, social welfare, recreation and other leisure time activities, in an effort to improve the conditions of life for the inhabitants of Findhorn and the surrounding area.

In general terms, the two principal activities are the operation of the hostel as a low-cost accommodation for visiting individuals and groups and the operation of Muirton House as a community resource centre. The hostel generates income which is used to support the operation of Muirton House. The charity also receives grant funding from a variety of sources. The activities which take place in the community resource centre are wide-ranging and include classes studying art, fitness, sewing and computer use, a lunch club and weekly coffee mornings for senior citizens, a youth club and a group for young mothers and toddlers.

The charity is dependent on the support of volunteers who provided in excess of 2,000 hours unpaid service during the year to 31 December 2018.

Achievements and performance

The charity generated income totalling £69,357 during the year, comprising £158 of donations, £43,863 of hostel income and £25,336 of income generated from Muirton House. Total expenditure for the year was £87,135.

This year the hostel has seen an increase in the number of educational groups staying in the hostel and using the community centre for their classroom activities. We have been pleased to welcome people from abroad who have enjoyed staying in Findhorn Village, and The Findhorn Church Hall adjacent to the hostel has also provided a very useful classroom when space in Muirton House has been fully booked.

The monthly Lunchtime Soup and Sweet and the Saturday Scottish Teas are a popular part of the village calendar. Muirton House the community resource centre continues to provide for all ages.

Wildthings, outdoor educational charity based at the centre have increased their training programme and have used the classroom facilities the centre is able to offer. We are very pleased to be able to help with the administration of the Moray Gig an educational sail training charity based at the village centre. The Findhorn Village Conservation company hold their monthly meetings at the centre and we are endeavouring to work with this company to improve facilities in Findhorn.

Financial review

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

At the year end unrestricted funds stood at £607,338 comprising fixed assets of £578,655 and correct assets of £28,683.

FINDHORN VILLAGE CENTRE

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2018

The charity received grants towards the purchase and renovation of Muirton House. Expenditure funded by these is treated as designated funds in the accounts and is reduced as the property is depreciated. These funds represent fixed assets and are not available for general charity expenditure.

Designated funds at the year end stood at £546,531.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The company is a recognised charity, number SC029923. It is a company limited by guarantee, not having a share capital and is governed by the rules set out in its Memorandum and Articles of Association.

The trustees, who are also the directors for the purpose of company law and who served during the year were:

Mrs Susan Horn

Ms C M Hunt (MBE)

Miss Maureen Hyde (Vice-chair)

Mr Gary Hunt

Mr Samuel Russell

Mr Bryan Parsons

Mrs Jill Killen

Mrs Catherine Low

New trustees are appointed at the annual general meeting or may be appointed by the existing trustees during the year. All trustees retire from office at the annual general meeting but are immediately eligible for re-appointment.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The management committee, which comprises the trustees and the treasurer, meet at least quarterly and are responsible for the strategic direction and policy of the charity. The committee Chairperson is Christine Hunt and the Vice-Chairperson is Maureen Hyde. At present the committee have nine members from a variety of professional backgrounds which are all relevant to the charity.

The day to day responsibility for the running of the charity rests with the salaried Centre Administrator whose line manager is C Hunt, the trustee responsible for ensuring that the charity delivers the services specified and that key performance indicators are met. The Centre Administrator is also responsible for the supervision of staff and freelance workers and, together with the line manager, ensures that the team continue to develop their skills and working practices.

FINDHORN VILLAGE CENTRE

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2018

Statement of trustees' responsibilities

The trustees, who are also the directors of Findhorn Village Centre for the purpose 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 trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that 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 Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and 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.

The trustees' report was approved by the Board of Trustees.

Ms C M Hunt (MBE)

Trustee

Dated: 24 September 2019

FINDHORN VILLAGE CENTRE

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF FINDHORN VILLAGE CENTRE

I report on the financial statements of the charity for the year ended 31 December 2018, which are set out on pages 5 to 13.

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. The charity trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the 2006 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 independent examiner's statement

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 seeks 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

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 44(1)(a) of the 2003 Act and regulation 4 of the 2006 Accounts Regulations, and
 - (ii) to prepare accounts which accord with the accounting records, comply with Regulation 8 of the 2006 Accounts Regulations;

have not been met, and

- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Munro Rankine CA
Independent examiners
Cathedral Accountancy Ltd.
4 North Guildry Street
Elgin
Moray
IV30 1JR

Dated: 24 September 2019

FINDHORN VILLAGE CENTRE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	2018 £	2017 £
<u>Income from:</u>			
Donations and grants	2	158	23
Charitable activities	3	25,336	27,001
Hostel income	4	44,328	44,103
		<hr/>	<hr/>
Total income		69,822	71,127
<u>Expenditure on:</u>			
Raising funds	5	4,706	6,155
		<hr/>	<hr/>
Charitable activities	6	81,793	77,951
Other	9	636	2,022
		<hr/>	<hr/>
Total expenses		87,135	86,128
		<hr/>	<hr/>
Net expenditure for the year/ Net movement in funds		(17,313)	(15,001)
Fund balances at 1 January 2018		625,116	636,427
		<hr/>	<hr/>
Fund balances at 31 December 2018		607,803	621,426
		<hr/> <hr/>	<hr/> <hr/>

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

FINDHORN VILLAGE CENTRE

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2018

	Notes	2018		2017	
		£	£	£	£
Fixed assets					
Property, plant and equipment	11		578,280		607,912
Current assets					
Trade and other receivables	12	8,289		2,436	
Cash at bank and in hand		31,179		20,572	
		<u>39,468</u>		<u>23,008</u>	
Current liabilities	13	(5,445)		(4,994)	
Net current assets			34,023		18,014
Total assets less current liabilities			612,303		625,926
Non-current liabilities	14		(4,500)		(4,500)
Net assets			<u>607,803</u>		<u>621,426</u>
Income funds					
<u>Unrestricted funds</u>					
Designated funds	15	519,479		546,531	
General unrestricted funds		<u>88,324</u>		<u>74,895</u>	
			607,803		621,426
			<u>607,803</u>		<u>621,426</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2018. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the 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 company.

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

The financial statements were approved by the Trustees on 24 September 2019

Ms C M Hunt (MBE)
Trustee

Company Registration No. SC204375

FINDHORN VILLAGE CENTRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

Charity information

Findhorn Village Centre is a private company limited by guarantee incorporated in Scotland. The registered office is Findhorn Village Centre, The Old School House, Church Place, Findhorn, Moray, IV36 3YR.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's current statutory requirements, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The accounts are prepared in pounds sterling, which is the functional currency of the charity.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the accounts, there were no material uncertainties about the charity's ability to continue and the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts.

1.5 Expenses

All expenditure is included on an accruals basis and has been classified under headings that aggregate all costs related to that category. Management and administration costs are those incurred in connection with administration of the charity. Depreciation is apportioned between funds in proportion to the funding received.

FINDHORN VILLAGE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

1.6 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings	4% straight line
Plant and machinery	25% reducing balance
Fixtures, fittings and equipment	25% reducing balance
Computers	33% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of non-current assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Costs of managing and administering the charity

These represent the costs incurred by finance, human resources, accounting, legal and other costs attributable to the management of the charity's assets, organisational administration and compliance with constitutional and statutory requirements.

FINDHORN VILLAGE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

1.13 Gifts in kind

Gifts such as equipment are included in the financial statements at market value at the time of purchase. Assets donated are included as donation income at market value at the time of receipt.

1.14 Fund accounting

Unrestricted funds are available for use at the discretion of the directors in furtherance of the general objectives of the company and have not been designated for other purposes.

Designated funds are funds raised by the charity and set aside for specific purposes.

Restricted funds are to be used in accordance with the specific restrictions imposed by the donor or have been raised by the charity for a specific purpose. Restricted funds for capital expenditure are transferred to designated funds when the expenditure has been incurred.

2 Donations and grants

	Unrestricted funds	Total
	2018 £	2017 £
Donations and gifts	158	23
	<u>158</u>	<u>23</u>

3 Charitable activities

	FVC sales	Room rental	Total 2018 £	Total 2017 £
Sales within charitable activities	8,558	16,778	25,336	27,001
	<u>8,558</u>	<u>16,778</u>	<u>25,336</u>	<u>27,001</u>

4 Hostel income

	Unrestricted funds	Total
	2018 £	2017 £
Hostel income	44,328	44,103
	<u>44,328</u>	<u>44,103</u>

FINDHORN VILLAGE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

5 Raising funds

	Unrestricted funds	Total
	2018 £	2017 £
<u>Muirton house activities</u>		
Staging fundraising events	4,706	6,155
	<u>4,706</u>	<u>6,155</u>

6 Charitable activities

	2018 £	2017 £
Staff costs	45	21,336
Depreciation	30,714	30,988
Cost of FVC activities	2,603	379
Heat and light	3,738	6,380
Water rates	1,197	486
Insurance	798	763
Subcontractor expenses	20,015	-
Repairs	12,259	6,316
Advertising	1,869	1,791
Telephone	1,801	2,324
Postage and stationery	200	290
Sundry expenses	549	396
Cleaning	5,622	5,585
Subscriptions	391	317
Other charitable expenditure	(8)	600
	<u>81,793</u>	<u>77,951</u>
	<u>81,793</u>	<u>77,951</u>

7 Trustees

None of the trustees (or any persons connected with them) received any remuneration or expenses during the year.

FINDHORN VILLAGE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

8 Employees

Number of employees

The average monthly number of employees during the year was:

	2018	2017
	Number	Number
Administrator	-	1
	<u> </u>	<u> </u>

Employment costs

	2018	2017
	£	£
Wages and salaries	-	20,357
Other pension costs	45	979
	<u> </u>	<u> </u>
	45	21,336
	<u> </u>	<u> </u>

There were no employees whose annual remuneration was £60,000 or more.

9 Other

	2018	2017
	£	£
Net loss on disposal of tangible fixed assets	-	387
Book keeping fees	-	378
Independent examination fees	636	914
Bank charges	-	343
	<u> </u>	<u> </u>
	636	2,022
	<u> </u>	<u> </u>

10 Taxation

The company has no liability to taxation due to its charitable status.

FINDHORN VILLAGE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

11 Property, plant and equipment

	Land and buildings	Plant and machinery	Fixtures, fittings and equipment	Computers	Total
	£	£	£	£	£
Cost					
At 1 January 2018	724,936	21,643	7,338	951	754,868
Additions	-	505	578	-	1,083
At 31 December 2018	724,936	22,148	7,916	951	755,951
Depreciation and impairment					
At 1 January 2018	122,742	20,281	3,350	585	146,958
Depreciation charged in the year	28,887	467	1,142	217	30,713
At 31 December 2018	151,629	20,748	4,492	802	177,671
Carrying amount					
At 31 December 2018	573,307	1,400	3,424	149	578,280
At 31 December 2017	602,194	1,362	3,990	366	607,912

12 Trade and other receivables

	2018 £	2017 £
Amounts falling due within one year:		
Trade receivables	8,020	2,436
Prepayments and accrued income	269	-
	8,289	2,436

13 Current liabilities

	2018 £	2017 £
Other taxation and social security	-	982
Other payables	2,139	3,082
Accruals and deferred income	3,306	930
	5,445	4,994

14 Non-current liabilities

	2018 £	2017 £
Other payables	4,500	4,500

FINDHORN VILLAGE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

15 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 January 2018	Depreciation	Balance at 31 December 2018
	£	£	£
Future depreciation fund	546,531	(27,052)	519,479
	<u>546,531</u>	<u>(27,052)</u>	<u>519,479</u>
	<u><u>546,531</u></u>	<u><u>(27,052)</u></u>	<u><u>519,479</u></u>

The designated fund represents the net book value of fixed assets which have been funded by grants. A transfer is made from restricted funds to the designated fund when the expenditure has been met. The fund is written down as the relevant assets are depreciated.