

Charity number: SC020339
Company number: SC147089

Glenuig Community Association
(A company limited by guarantee)

Directors' report and financial statements

for the year ended 31 December 2017

Glenuig Community Association
(A company limited by guarantee)

Contents

	Page
Legal and administrative information	1
Directors' report	2 - 3
Independent examiner's report	4
Statement of financial activities	5
Balance sheet	6 - 7
Notes to the financial statements	8 - 13

Glenuig Community Association
(A company limited by guarantee)

Legal and administrative information

Charity number SC020339
Company registration number SC147089

Business address Glenuig Hall
Glenuig
Lochailort
PH38 4NG

Registered office Glenuig Hall
Glenuig
Lochailort
Inverness-shire
PH38 4NG

Directors Eoghan Alexander Carmichael
Keith O'Connor
Pamela M Conacher
Sue McCann
Zoe Ann Pritchard
Alasdair Iain Carmichael
Martyn Green
Glenda Green

Secretary Eoghan A Carmichael

Accountants R A Clement Associates
Chartered Accountants
5 Argyll Square
Oban
Argyll
PA34 4AZ

Glenuig Community Association
(A company limited by guarantee)

Report of the directors (incorporating the trustees' report)
for the year ended 31 December 2017

The directors present their report and the financial statements for the year ended 31 December 2017. The directors, who are also trustees of Glenuig Community Association for the purposes of charity law and who served during the year and up to the date of this report are set out on page 1.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006 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 published on 16 July 2014.

Structure, governance and management

The company is managed by the Board of Directors on a day to day basis with the help and assistance of volunteers from the Community.

The charity is constituted as a company limited by guarantee and is registered in Scotland with the Office of the Scottish Charity Regulator. It is governed in accordance with its Memorandum and Articles of Association.

Activities and achievements

The principal activity of the company during the year was the maintenance and management of Glenuig Hall as a place where local people could find and create their own recreation.

The directors of the company promoted and managed a programme of artistic and cultural events in Glenuig Hall, supported by funding from The Highland Council.

The directors also continued to investigate the provision of improved broadband in the area through a number of possible community broadband schemes. The company received a temporary loan of £10,000 to further these aims, with repayment only due as and when other funds are raised.

In the coming year the directors intend to continue to manage Glenuig Hall for the benefit of the community and to provide a programme of the arts in the hall.

The Association are grateful for the financial support of the following bodies:

The Highland Council	£1,200 towards arts promotions
The Highland Council	£1,000 hall revenue support grant

Financial Review

The directors are pleased to report that financial resources remained satisfactory, with a net amount of £19,312 liquid funds for working capital for new projects and the running and maintenance of Glenuig Hall. Total net assets are £24,166 of which £4,854 was represented by fixed assets.

Glenuig Community Association
(A company limited by guarantee)

Report of the directors (incorporating the trustees' report)
for the year ended 31 December 2017

Trustees' responsibilities in relation to the financial statements

The directors (who are also trustees of Glenuig Community Association under charity law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the directors 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 charitable company will continue in operation.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and which enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Duncan Grout of R A Clement Associates was deemed to be reappointed as independent examiner and the directors recommend that Duncan Grout remains in office until further notice.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

This report was approved by the Board on 11/7/18 and signed on its behalf by



Eoghan Alexander Carmichael
Director

Glenuig Community Association
(A company limited by guarantee)

Independent examiner's report to the directors on the unaudited financial statements of
Glenuig Community Association.

I report on the accounts for the year ended 31 December 2017 set out on pages 2 to 13.

This report is made to the charity's Trustees in accordance with the terms of my engagement. My work has been undertaken to enable me to prepare the financial statements on behalf of the charity's Trustees and for no other purpose.

To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's Trustees, as a body, for my work or this report.

Respective responsibilities of trustees and independent examiner

The charity's trustees (who are also the directors of the company for purposes of company law) are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 (the Act) and the Charities Accounts (Scotland) Regulations 2006 (as amended). The charity's trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act, and to state whether particular matters have come to my attention.

Basis of Independent examiner's statement

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

Independent examiner's statement

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

1. which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Regulations
 - to prepare accounts which agree with the accounting records and comply with Regulation 8 of the 2006 Regulationshave 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.

.....
Duncan Grout

ACCA

Independent examiner

.....
11/7/18

Date

Of R A Clement Associates

5 Argyll Square

Oban

Argyll

PA34 4AZ

Glenuig Community Association
(A company limited by guarantee)
Statement of financial activities (incorporating the income and expenditure account)
For the year ended 31 December 2017

	Notes	Unrestricted funds £	Restricted funds £	2017 Total £	2016 Total £
Income from					
Donations & grants	2	8,512	-	8,512	11,631
Charitable activities	3	16,004	-	16,004	17,064
Investment income		15	-	15	66
Total income		<u>24,531</u>	<u>-</u>	<u>24,531</u>	<u>28,761</u>
Expenditure on					
Arts Promotion		6,693	-	6,693	8,397
Bar purchases and expenses		8,162	-	8,162	9,156
Establishment costs		5,083	-	5,083	5,908
Special Project/Events		2,000	1,014	3,014	-
Accountancy fees		780	-	780	720
Legal and professional fees		230	-	230	313
Communications and IT		547	-	547	777
Other office expenses		122	-	122	13
Depreciation and impairment		542	-	542	123
Other governance costs		-	-	-	100
Total expenditure		<u>24,159</u>	<u>1,014</u>	<u>25,173</u>	<u>25,507</u>
Net income/(expenditure) for the year		372	(1,014)	(642)	3,254
Reconciliation of funds:					
Total funds brought forward		<u>24,808</u>	<u>-</u>	<u>24,808</u>	<u>21,554</u>
Total funds carried forward		<u>25,180</u>	<u>(1,014)</u>	<u>24,166</u>	<u>24,808</u>

The notes on pages 8 to 13 form an integral part of these financial statements.

**Glenuig Community Association
(A company limited by guarantee)**

Balance sheet

as at 31 December 2017

SC147089

	Notes	£	2017 £	£	2016 £
Fixed assets					
Tangible assets	7		4,854		3,302
Current assets					
Stocks		1,551		1,712	
Debtors	8	-		250	
Cash at bank and in hand		29,789		21,463	
		<u>31,340</u>		<u>23,425</u>	
Creditors: amounts falling due within one year	9	<u>(12,028)</u>		<u>(1,919)</u>	
Net current assets			<u>19,312</u>		<u>21,506</u>
Net assets			<u>24,166</u>		<u>24,808</u>
Funds					
	10				
Restricted income funds			(1,014)		-
Unrestricted income funds			25,180		24,808
Total funds			<u>24,166</u>		<u>24,808</u>

The directors' statements required by s475(2) and s475(3) are shown on the following page which forms part of the Balance Sheet.

The notes on pages 8 to 13 form an integral part of these financial statements.

Glenuig Community Association
(A company limited by guarantee)

Balance sheet (continued)

SC147089

Directors statements required by the Companies Act 2006
for the year ended 31 December 2017

In approving these financial statements as directors of the company we hereby confirm:

(a) that for the year stated above the company was entitled to the exemption conferred by section 477 of the Companies Act 2006 ;

(b) that no notice has been deposited at the registered office of the company pursuant to section 476 of the Companies Act 2006 requesting that an audit be conducted for the year ended 31 December 2017.


(c) that we acknowledge our responsibilities for:

(1) ensuring that the company keeps proper accounting records which comply with section 386 of the Companies Act 2006, and

(2) 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 surplus or deficit for the year then ended in accordance with the requirements of sections 394 and 395, and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

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

The financial statements were approved by the board on **11 sub 2018** and signed on its behalf by



.....
Eoghan Alexander Carmichael
Director

The notes on pages 8 to 13 form an integral part of these financial statements.

**Glenuig Community Association
(A company limited by guarantee)**

**Notes to financial statements
for the year ended 31 December 2017**

Legal Status of the charity

The charity is a company limited by guarantee and is governed in accordance with its Memorandum and Articles of Association.

1. Accounting policies

The principal accounting policies adopted are summarised below.

1.1. Basis of preparation and assessment of going concern.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The financial statements have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) as well as the Companies Act 2006, and the Statement of Recommended Practice (SORP)- Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (effective January 2015) (FRS 102).

The charity meets the definition of a public benefit entity as defined by FRS 102.

The directors, who are the trustees of the charity under charity law, consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

1.2. Incoming resources

Income is recognised in the statement of financial activities when the charity is entitled to the income, any performance conditions attached have been met, it is probable that the income will be received and the amount can be quantified with reasonable accuracy. Such income is only deferred when the donor specifies performance conditions which must be met before the charity has unconditional entitlement. The following specific policies are applied to particular categories of income:

Voluntary income is received by way of grants, donations and gifts and is included in full in the statement of financial activities when receivable. Grants where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included.

Gifts donated for resale are included as incoming resources within activities for generating funds when they are sold.

Grants, including grants for the purchase of fixed assets, are recognised in full in the statement of financial activities in the year in which they are receivable.

Income from investments is included in the year in which it is receivable.

Glenuig Community Association
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 December 2017

1.3. Resources expended

Expenditure is recognised when there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be reliably measured.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated on an appropriate basis to the various activities of the charity. Where costs cannot be allocated directly, they are apportioned to categories on the basis of a reasonable estimate of the costs.

Fundraising costs are those incurred in generating income from various activities and do not include the costs of disseminating information in support of the charitable activities.

Governance costs include those costs necessary for the board to fulfil its constitutional and statutory obligations and are now included as support costs included in charitable activities.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management.

The charity is not registered for VAT and accordingly expenditure includes all vat which is irrecoverable.

1.4. Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Land and buildings	-	2% Straight line
Fixtures, fittings and equipment	-	20% straight line
Other Equipment	-	20% straight line

1.5. Stock

Stock is valued at the lower of cost and net realisable value.

1.6. Financial Instruments

The charity has only financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and are subsequently measured at their settlement value with the exception of bank loans which are measured at amortised cost using the effective interest rate method.

Glenuig Community Association
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 December 2017

2. Donations & grants

	Unrestricted funds £	2017 Total £	2016 Total £
Donations	1,269	1,269	261
Hall Support Grants	1,000	1,000	1,000
Art Grants/Promotions Income	6,243	6,243	8,370
Special projects	-	-	2,000
	<u>8,512</u>	<u>8,512</u>	<u>11,631</u>

All income in 2016 was unrestricted.

3. Charitable activities

	Unrestricted funds £	2017 Total £	2016 Total £
Shop Development Income	-	-	500
Bar/Catering Takings	10,915	10,915	10,781
Hall Hire	4,940	4,940	5,405
Shower and Heating Tokens	49	49	278
Miscellaneous income	100	100	100
	<u>16,004</u>	<u>16,004</u>	<u>17,064</u>

All charitable income and expenditure in 2016 was unrestricted.

4. Net (outgoing)/incoming resources for the year

	2017 £	2016 £
Net (outgoing)/incoming resources is stated after charging:		
Depreciation and other amounts written off tangible fixed assets	<u>542</u>	<u>123</u>

Glenuig Community Association
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 December 2017

5. Employees

Employment costs

There were no direct employees during the year, and therefore no employee received emoluments of more than £60,000 (2016 : None).

Key Management Personnel

The key management personnel of the charity are the Board of Trustees, of whom one director who served during the year received remuneration in respect of services provided to the charity amounting to a total of £975. This remuneration was paid at rates equivalent to those paid to third parties.

Trustees' expenses and remuneration

The charity trustees, who are the directors of the company, were not paid and did not receive any remuneration, benefits in kind or reimbursement of expenses in their capacity as trustees during the year.

6. Taxation

The charity is a charitable company within the meaning of the Finance Act 2010. Accordingly the charity's activities fall within the exemptions from taxation in respect of income or capital gains afforded by the provisions of the Corporation Taxes Act 2010 and the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied for charitable purposes. As a result, there is no taxation charge in these accounts.

7. Tangible fixed assets	Land and buildings freehold	Fixtures, fittings and equipment	Other Equipment	Total
	£	£	£	£
Cost				
At 1 January 2017	6,164	17,341	3,475	26,980
Additions	-	2,094	-	2,094
At 31 December 2017	<u>6,164</u>	<u>19,435</u>	<u>3,475</u>	<u>29,074</u>
Depreciation				
At 1 January 2017	2,862	17,341	3,475	23,678
Charge for the year	123	419	-	542
At 31 December 2017	<u>2,985</u>	<u>17,760</u>	<u>3,475</u>	<u>24,220</u>
Net book values				
At 31 December 2017	<u>3,179</u>	<u>1,675</u>	<u>-</u>	<u>4,854</u>
At 31 December 2016	<u>3,302</u>	<u>-</u>	<u>-</u>	<u>3,302</u>

Glenuig Community Association
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 December 2017

8. Debtors

	2017	2016
	£	£
Other debtors	-	250
	<u>-</u>	<u>250</u>

9. Creditors: amounts falling due within one year

	2017	2016
	£	£
Unsecured loan	10,000	-
Accruals and deferred income	2,028	1,919
	<u>12,028</u>	<u>1,919</u>

The unsecured loan is repayable on demand and is interest free.

10. Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Fund balances at 31 December 2017 as represented by:			
Tangible fixed assets	4,854	-	4,854
Current assets	31,340	-	31,340
Current liabilities	(11,014)	(1,014)	(12,028)
	<u>25,180</u>	<u>(1,014)</u>	<u>24,166</u>

11. Unrestricted funds

	At 01 January 2017	Incoming resources	Outgoing resources	At 31 December 2017
	£	£	£	£
Unrestricted Fund	<u>24,808</u>	<u>24,531</u>	<u>(24,159)</u>	<u>25,180</u>

Glenuig Community Association
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 December 2017

12. Restricted funds

	At 01 January 2017 £	Outgoing resources £	At 31 December 2017 £
Broadband Fund	-	(1,014)	(1,014)

Purposes of restricted funds

Broadband Fund

Expenditure on the broadband project has been met from general reserves this year, but fundraising will continue to generate funds to cover the expected full costs of the project

13. Transactions with trustees

During the year, one director was paid for direct services. These payments were for services provided at the same rate as other providers. All payments were specifically approved by the Board.

14. Company limited by guarantee

Glenuig Community Association is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.