

Charity number SC033349  
Company Number SC230960

**Lairg and District Community Initiatives  
(A company limited by guarantee)**

**Directors' Report and Financial Statements**

**For the year ended 31<sup>st</sup> March 2017**

## **Lairg and District Community Initiatives**

(A company limited by guarantee)

### **Legal and administrative information**

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

Charity number                SC033349  
Company Number            SC230960

### **Business Address and Registered Office**

Old School House  
Main Street  
Lairg  
Sutherland  
IV27 4DD

### **Secretary**

C Smith

### **Directors**

R Johnstone (appointed 9<sup>th</sup> May 2017)  
S Maclean  
A Marshall  
N McLeod (appointed 3<sup>rd</sup> November 2016)  
M Munro  
C Smith  
B Channer (resigned 8<sup>th</sup> September 2017)  
S Skinner (resigned 13<sup>th</sup> November 2017)

### **Independent Examiner**

Mrs S R Kennedy FMAAT FCCA  
Voluntary Action Lochaber  
An Drochaid  
Fort William  
PH33 6PH

### **Solicitors**

MACKENZIE & CORMACK  
20 Tower Street  
Tain IV19 1DZ

**Lairg and District Community Initiatives  
(A company limited by guarantee)**

**Chairman's Report  
For the year ended 31 March 2017**

Once again, the past year has been successful with Lairg and District Community Initiatives delivering projects to improve social cohesion, community wellbeing and improved amenities. Our activity has led to a more vibrant community, actively engaging its local people through volunteering work and inviting their say in shaping development. This has helped to build a resilient, empowered and inclusive community, where every voice and opinion matters. We see our role not only as a catalyst of change but as a continuing force for improving the lives around us. We are confident we have the capacity to build on our work thus far and continue to be a positive influence in the years ahead.

The main focus over the last year was the proposed Lairg Care and Well Being Centre which took considerable commitment and effort but we succeeded in securing the all-important Scottish Land Fund Stage 1 funding together with vital contributions from the Highland Council and Lairg and Rosehall Windfarm Community Funds. These allowed LDCI to contract a professional consulting team to conduct a Feasibility Study and produce a Social Enterprise Plan, also to carry out a Housing Needs Survey. A six month public engagement process commenced in February 2016.

In addition, we also pursued the delivery of other community initiatives. We held our second Winterfest event during November's run-up to Christmas and it was enjoyed by the whole community and more. It was as big a success as the 2015 event with approximately 1000 people attending from across Highlands. Many local groups and numerous volunteers were involved in its preparation and running. Once again, emphasis was placed on family affordability. We received excellent feedback from the local community and beyond. Our intention is to continue to make the Winterfest an annual event.

When news broke that Lairg had been the epicentre of a massive asteroid impact 1.2 billion years ago we made contact with the scientist responsible for the discovery and begun the early stages of securing funding for a public exhibition aimed at explaining the phenomenon and explore ways and means of creating a lasting legacy for the village. As well as an academic presentation we had terrific visual display input from the Primary School thus placing as strong educational emphasis on the project.

We also undertook significant landscape restoration work to the Church Hill path improving access to the viewpoint for local people and visitors alike. It has become a very popular attraction right in the centre of the village and allows more people to appreciate the fine views of the local area whilst contributing in its own small way to exposing individuals to fresh air and increased exercise.

Once again we organised several sessions where volunteers tackled various tidying-up activities around the village. Not only does this help present the village in a better light for visitors, it gives the community a good sense of participatory effort.

Further research and consultation including a Scoping Report was carried out into the Community Broadband project and our ambition is to ensure the whole community has an equal chance to receive this increasingly vital technology.

We continued exploring means of securing improvements to and extending the footpath link between the village and the railway station.

In all the aforementioned areas, work will continue to the benefit of the community, with Lairg residents kept fully engaged in all that we do.

I would like to take this opportunity to thank my fellow directors, our Development Officer and all our members for their continuous support and invaluable efforts. I would also like to highlight the contribution of Lairg Community Council for supporting us in our work. As elected but voluntary members of our community, they are due recognition for the significance of their input to village life and for that we continue to be grateful. I appreciate also the ongoing contributions of our Highland Councillors for maintaining effective links with the local authority and for vital strategic support.



.....  
Steven Maclean  
Chairman

Date: 22<sup>nd</sup> December 2017

**Lairg and District Community Initiatives  
(A company limited by guarantee)**

**Report of the Directors  
For the year ended 31 March 2017**

The Directors present their report and the financial statements for the year ended 31 March 2017. The directors who are also trustees of Lairg and District Community Initiatives 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.

**Structure, governance and management**

The members of the Board of Management function as Directors of Lairg and District Community Initiatives as a Company Limited by Guarantee under the Companies Act, also as Charity Trustees under OSCR (the Office of the Scottish Charities Regulator).

***Governing Document***

The governing documents of the charity are the Memorandum and Articles of Association of the Company, which was incorporated on 30<sup>th</sup> April 2002 as a company limited by guarantee of £1 per member.

The names of the persons who served as directors during the year and up to the date of this report are as listed on the previous page.

The charitable company obtains funding and assistance from various sources, including the Highland Council, Highland & Islands Enterprise, SSE Achany Windfarm Fund, Lairg Windfarm Fund, Foundation Scotland and by its own fundraising.

Its aim in recruiting new directors is to have as broad a skill base as possible. This means that much of the day-to-day administration can be done by a director.

***Risk Management***

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

***Investment policy***

Under the Memorandum & Articles of Association, the charity has the power to make any investment which the trustees see fit. Funds are held in a mixture of current and deposit accounts to maximise accessibility and investment returns.

**Objectives and activities**

***Objectives and aims***

The aims of the company include:

- 1) To manage community land and associated assets for the benefits of the community of Lairg and district and the public at large.
- 2) To provide, or assist in providing, recreational facilities and/or organising recreational activities to improve the conditions of life of the community and following principles of sustainable development.
- 3) To advance the education of the community about its environment, culture, heritage and history.

**Achievements and performance**

See Chairman's report.

**Reserves Policy**

The directors regularly review the future financial requirements of the company. They have a policy whereby the unrestricted funds held should be at least three (3) months of general expenditure.

**Lairg and District Community Initiatives  
(A company limited by guarantee)**

**Report of the Directors  
For the year ended 31<sup>st</sup> March 2017**

**Statement of directors' responsibilities**

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company and charity 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 charity and of the surplus or deficit of the charity for that year. 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 charity 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 charity 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. 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.

**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 and signed on its behalf by:-



S Maclean  
Director

Date: 22<sup>nd</sup> December 2017

**Lairg and District Community Initiatives  
(A company limited by guarantee)**

**Independent examiner's report to the directors on the unaudited financial statements of Lairg and District Community Initiatives**

I report on the financial statements of Lairg and District Community Initiatives for the year ended 31<sup>st</sup> March 2017 which comprise the statement of financial activities, the balance sheet and the related notes. These financial statements have been prepared in accordance with the Financial Reporting Standard FRS102 (effective January 2016), under the historical cost convention and the accounting policies set out therein.

**Respective responsibilities of directors and independent examiner**

The charity's directors are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity's directors consider that the audit requirement of Regulation 10(1) (a) & (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 was carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as directors concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

**Independent examiner's statement**

In connection with my examination, no matter has come to my attention

- (i) which gives me reasonable cause to believe that in any material respect  
the requirements to keep accounting records in accordance with section 44 (1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and  
to prepare accounts which accord with the accounting records and to comply with Regulation 8 of the 2006 Accounts Regulations  
have not been met, or
- (ii) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Date: - 24<sup>th</sup> January 2018

Mrs S R Kennedy FMAAT FCCA  
Chartered Certified Accountant  
Voluntary Action Lochaber  
An Drochaid  
Fort William  
PH33 6PH

**Lairg and District Community Initiatives**  
**(A company limited by guarantee)**

**Statement of financial activities (incorporating the income and expenditure account)**  
**For the year ended 31<sup>st</sup> March 2017**

	Notes	Unrestricted Funds £	Restricted Funds £	Designated Funds £	Total 2017 £	Total 2016 £
<b>Income</b>						
Voluntary income	2	3,948	-	-	3,948	4,674
Charitable activities - grants	3	-	54,298	-	54,298	30,750
Charitable activities – other		1,287	-	-	1,287	-
Activities for generating funds		-	-	-	-	-
Investment Income		-	-	-	-	-
<b>Total Income</b>		<u>5,235</u>	<u>54,298</u>	<u>-</u>	<u>59,533</u>	<u>35,424</u>
<b>Expenditure</b>						
Support costs	4	950	-	-	950	780
Charitable activities	5	<u>1,588</u>	<u>38,655</u>	<u>-</u>	<u>40,243</u>	<u>29,428</u>
<b>Total expenditure</b>		2,538	38,655	-	41,193	30,208
Net income/(expenditure) before transfers		2,697	15,643	-	18,340	14,846
Transfers		<u>(235)</u>	<u>235</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net income/expenditure for the year</b>		2,462	15,878	-	18,340	5,216
Total funds brought forward		<u>3,042</u>	<u>19,255</u>	<u>-</u>	<u>22,297</u>	<u>17,081</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>5,504</u>	<u>35,133</u>	<u>-</u>	<u>40,637</u>	<u>22,297</u>

The notes on pages 8 to 12 form part of these financial statements

**Lairg and District Community Initiatives  
(A company limited by guarantee)**

**Balance sheet as at 31<sup>st</sup> March 2017**

	Notes	2017 £	2016 £
<b>Fixed Assets</b>			
Tangible assets	10	7,859	7,859
<b>Current Assets</b>			
Stocks		383	500
Debtors	11	3,750	5,000
Cash in bank and in hand		<u>29,085</u>	<u>25,238</u>
		33,218	30,738
<b>CREDITORS</b>			
Amounts falling due within one year	12	<u>(440)</u>	<u>(16,300)</u>
<b>NET CURRENT ASSETS</b>		<u>32,778</u>	<u>14,438</u>
<b>NET ASSETS</b>		<u>40,637</u>	<u>22,297</u>
<b>Funds</b>			
Restricted funds	16	35,133	19,255
Designated funds	17	-	-
Unrestricted funds	18	<u>5,504</u>	<u>3,042</u>
<b>Total funds</b>		<u>40,637</u>	<u>22,297</u>

**Directors' statements required by Section 477 of the Companies Act 2006 for the year ended 31<sup>st</sup> March 2017**

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

- that for the year ending 31<sup>st</sup> March 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 ;
- 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 March 2017.
- that we acknowledge our responsibilities for:

1) ensuring that the charitable company keeps proper accounting records which comply with sections 386 and 387 of the Companies Act 2006, and

2) preparing financial statements which give a true and fair view of the state of affairs of the charitable 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 requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and in accordance with the Financial Reporting Standard FRS102 (effective January 2016).

The financial statements were approved by the Board of Trustees and signed on its behalf by

M Munro  
Director

Date 23<sup>rd</sup> January 2018

The notes on pages 8 to 12 form part of these financial statements



**Lairg and District Community Initiatives**  
**(A company limited by guarantee)**

**Notes to financial statements**  
**For the year ended 31<sup>st</sup> March 2017**

**1 Accounting policies**

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year.

**1.1 Basis of accounting**

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard FRS102 (effective January 2016), the Statement of Recommended Practice 'Accounting and Reporting by Charities' issued in July 2014 (SORP 2014) and the Companies Act 2006. Assets and Liabilities are initially recognised at historical cost or transaction valued unless otherwise stated.

**1.2 Income recognition policies**

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. 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.

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.

**1.3 Expenditure**

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

**1.4 Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Directors.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Designated funds are funds set aside by the Directors for a particular purpose.

**1.5 Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**1.6 Tangible fixed assets and depreciation**

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

Freehold property	– not provided
Office equipment	- 25% on cost

**Lairg and District Community Initiatives**  
(A company limited by guarantee)

Notes to financial statements  
For the year ended 31<sup>st</sup> March 2017

**2 Voluntary income**

	Unrestricted Funds £	Restricted Funds £	Designated Funds £	2017 Total Funds £	2016 Total Funds £
Donations and fundraising	<u>3,948</u>	<u>-</u>	<u>-</u>	<u>3,948</u>	<u>4,674</u>
	<u>3,948</u>	<u>-</u>	<u>-</u>	<u>3,948</u>	<u>4,674</u>

**3 Charitable activities - grants**

	Unrestricted Funds £	Restricted Funds £	2017 Total Funds £	2016 Total Funds £
Rosehall Community Fund	-	17,728	17,728	-
Highland Council	-	5,000	5,000	-
Micro Scheme Grants	-	480	480	-
SSE Achany Community Fund	-	16,000	16,000	22,500
Foundation Scotland Lairg Windfarm Community Fund	-	9,340	9,340	-
Foundation Scotland – Winterfest	-	2,000	2,000	2,000
Robertson Trust	<u>-</u>	<u>3,750</u>	<u>3,750</u>	<u>6,250</u>
	<u>-</u>	<u>54,298</u>	<u>54,298</u>	<u>30,750</u>

**4 Support costs**

	Unrestricted Funds £	Restricted Funds £	2017 Total Funds £	2016 Total Funds £
Accountancy fees	950	-	950	780
Cost of Trustees' Meetings	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>950</u>	<u>-</u>	<u>950</u>	<u>780</u>

**5 Charitable Activities Costs**

	Unrestricted Funds £	Restricted Funds £	2017 Total Funds £	2016 Total Funds £
Wages and Salaries	-	20,100	20,100	19,336
Other costs	<u>1,588</u>	<u>18,555</u>	<u>20,143</u>	<u>10,092</u>
	<u>1,588</u>	<u>38,655</u>	<u>40,243</u>	<u>29,428</u>

No employee received emoluments of more than £60,000 (2016 – none)

**6 Number of employees**

The average monthly number of employees (excluding the Directors) during the year, was as follows:

	2017 Number	2016 Number
Project Officer	<u>1</u>	<u>1</u>
	<u>1</u>	<u>1</u>

**Lairg and District Community Initiatives**  
**(A company limited by guarantee)**

**Notes to financial statements**  
**For the year ended 31<sup>st</sup> March 2017**

**7 Net incoming resources for year**

Net incoming resources are stated after charging:-

	2017 £	2016 £
Loss on disposal of fixed assets	-	-
Depreciation	<u>-</u>	<u>1,183</u>
	<u>-</u>	<u>1,183</u>

**8 Directors remuneration and benefits**

No director received any remuneration or benefits during the year. No director received reimbursement of travel expenses during the year. (2016 -nil)

**9 Pension costs**

The company does not offer a defined contribution pension scheme to its employees.

**10 Tangible Fixed Assets**

	Freehold Property £	Office Equipment £	Totals £
<b>COST</b>			
At 31 March 2016	7,859	1,183	9,042
Additions	-	-	-
Disposals	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2017	<u>7,859</u>	<u>1,183</u>	<u>9,042</u>
<b>DEPRECIATION</b>			
At 31 March 2016	-	1,183	1,183
Charge for year	-	-	-
Disposals	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2017	<u>-</u>	<u>1,183</u>	<u>1,183</u>
<b>NET BOOK VALUE</b>			
At 31 March 2017	<u>7,859</u>	<u>-</u>	<u>7,859</u>
At 31 March 2016	<u>7,859</u>	<u>-</u>	<u>7,859</u>

**Lairg and District Community Initiatives**  
(A company limited by guarantee)

Notes to financial statements  
For the year ended 31<sup>st</sup> March 2017

**11 Debtors**

	2017 £	2016 £
Other debtors and prepayments	<u>3,750</u>	<u>5,000</u>

**12 Creditors: amounts falling due within one year**

	2017 £	2016 £
Other creditors	-	-
Accruals and deferred income	<u>440</u>	<u>16,300</u>
	<u>440</u>	<u>16,300</u>

**13 Analysis of net assets between funds**

	Unrestricted Funds £	Restricted Funds £	Designated Funds £	Total Funds £
Fund balances at 31 March 2017 are represented by:				
Tangible fixed assets	-	7,859	-	7,859
Current assets	5,944	27,274	-	33,218
Current liabilities	<u>(440)</u>	<u>-</u>	<u>-</u>	<u>(440)</u>
NET ASSETS	<u>5,504</u>	<u>35,133</u>	<u>-</u>	<u>40,637</u>

**14 Taxation**

The charity's activities fall within the exemptions afforded by the provisions of the Income and Corporation Taxes Act 1988. Accordingly there is no taxation charge in these accounts.

**15 Company limited by guarantee**

Lairg and District Community Initiatives 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.

**16 Restricted funds**

<u>Project</u>	At 1 <sup>st</sup> April 2016 £	Incoming £	Outgoing £	Transfers £	At 31 <sup>st</sup> March 2017 £
Winterfest	-	2,000	(2,000)	-	-
Church Hill Woodland	-	6,428	(6,663)	235	-
Care Project	-	13,150	(231)	-	12,919
Asteroid Project	-	4,900	-	-	4,900
Helicopter Lights	1,000	4,000	(5,000)	-	-
CBS Broadband	-	-	(178)	-	(178)
General	<u>18,255</u>	<u>23,820</u>	<u>(24,583)</u>	<u>-</u>	<u>17,492</u>
	<u>19,255</u>	<u>54,298</u>	<u>(38,655)</u>	<u>235</u>	<u>35,133</u>

**Lairg and District Community Initiatives**  
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**Notes to financial statements**  
**For the year ended 31<sup>st</sup> March 2017**

**17 Designated Funds**

	At 1 <sup>st</sup> April 2016 £	Incoming £	Outgoing £	Transfers £	At 31 <sup>st</sup> March 2017 £
	-	-	-	-	-

**18 Unrestricted funds**

	At 1 <sup>st</sup> April 2016 £	Incoming £	Outgoing £	Transfer £	At 31 <sup>st</sup> March 2017 £
Winterfest	-	3,295	(1,418)	-	1,877
Creative Week	-	170	(170)	-	-
Unrestricted Funds	<u>3,042</u>	<u>1,770</u>	<u>(950)</u>	<u>(235)</u>	<u>3,627</u>
	<u>3,042</u>	<u>5,235</u>	<u>(2,538)</u>	<u>(235)</u>	<u>5,504</u>