

**Charity Registration No. SC044408 (Scotland)**

**Company Registration No. SC397770 (Scotland)**

**THE FINDHORN VILLAGE CONSERVATION COMPANY**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2017**

# THE FINDHORN VILLAGE CONSERVATION COMPANY

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	F Allan M A S Barber N Edmonds P A Hall J M Harris M A Hyde A G Munro D J Watson C M Hunt N Robertson S B Russell	(Appointed 8 June 2016)
<b>Secretary</b>	M A S Barber	
<b>Charity number (Scotland)</b>	SC044408	
<b>Company number</b>	SC397770	
<b>Principal address</b>	Findhorn Village Centre The Old School Church Place Findhorn Moray IV36 3YR	
<b>Registered office</b>	Findhorn Village Centre The Old School Church Place Findhorn Moray IV36 3YR	
<b>Independent examiner</b>	Cathedral Accountancy Ltd. 4 North Guildry Street Elgin Moray IV30 1JR	
<b>Bankers</b>	Bank of Scotland PO Box 1000 BX12 1LB	
<b>Solicitors</b>	Ledingham Chalmers LLP Kintail House Beechwood Park Inverness IV2 3BW	

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# THE FINDHORN VILLAGE CONSERVATION COMPANY

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# THE FINDHORN VILLAGE CONSERVATION COMPANY

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 31 MARCH 2017

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The trustees present their report and accounts for the year ended 31 March 2017.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the current statutory requirements, 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 (FRS 102) (effective 1 January 2015).

#### **Objectives and activities**

The charity's objectives are to benefit the community of Findhorn Village with the purposes of advancing environmental protection or improvements, including preservation, sustainable development and conservation of the natural environment, the maintenance, improvement or provision of environmental amenities for the community and/or the preservation of buildings or sites of architectural, historic or other importance to the community following the principles of sustainable development.

Since the year end the company has secured grant funding of £180,500 from the Scottish Land Fund to enable the purchase of a garage site in the centre of Findhorn, which has historically been used for storing boats and contains buildings previously used as workshops and garages. This will offer the company the option to bring new vibrancy and life into the village itself and will generate rental income to meet future development aims.

The charity is highly dependent on the support of volunteers who provided 4,000 hours unpaid service during the year to 31 March 2017.

#### **Achievements and performance**

##### **Financial review**

At the year end unrestricted funds amounted to £20,022, designated funds amounted to £531,233 and restricted funds amounted to £50,077.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use will be built up to enable the charity to carry out developments in accordance with its objectives and to cover normal running costs.

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.

The Company is excited to announce that it has reached another major milestone by securing grant funding of £180,500, from the Scottish Land Fund, which would contribute £161,500 towards the purchase of the Garage site in the centre of Findhorn which has historically been used for storing boats and contains buildings previously used as workshops and garages.

The Company has registered a community right to buy on this site which has been owned by the same family since 1929. Continuing to have ownership of this land by the people of Findhorn would be an excellent strategic fit for the future development of the village, as it is centrally located and would offer options to bring new vibrancy and life into the village itself. In addition to the extra facilities that this could provide, it would generate rental income – an essential ingredient to provide a stable platform for the Company's, and Findhorn's, further development aims.

Although the purchase of this land has not yet been agreed, the award of this grant is further confidence in the Company's ability to provide a sustainable future for the village of Findhorn.

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

The company is a recognised charity, number SC044408. 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 FINDHORN VILLAGE CONSERVATION COMPANY

## TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2017

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

F Allan

M A S Barber

N Edmonds

P A Hall

J M Harris

M A Hyde

A G Munro

R J Shand

(Resigned 8 June 2016)

D J Watson

C M Hunt

N Robertson

S B Russell

(Appointed 8 June 2016)

New trustees are appointed at the annual general meeting or may be appointed by the existing trustees during the year. One third of the trustees, being those who have served the longest, retire from office at the annual general meeting but are immediately eligible for re-appointment.

Management of the charity is carried out by the trustees.

New trustees are identified by existing trustees having regard to the skills available and required. New trustees are given appropriate training according to the requirements of the position.

### **Statement of trustees' responsibilities**

The trustees, who are also the directors of The Findhorn Village Conservation Company for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare accounts for each financial period 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 accounts, 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 accounts; and
- prepare the accounts 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 accounts 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.

# THE FINDHORN VILLAGE CONSERVATION COMPANY

## TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) *FOR THE YEAR ENDED 31 MARCH 2017*

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### **Disclosure of information to the independent examiner**

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the independent examination, but of which the independent examiner is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the independent examiner aware of such information.

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

**P A Hall**

Trustee

Dated: 10 May 2017

# THE FINDHORN VILLAGE CONSERVATION COMPANY

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF THE FINDHORN VILLAGE CONSERVATION COMPANY

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I report on the accounts of the charity for the year ended 31 March 2017, which are set out on pages 5 to 11.

#### **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's trustees consider that the audit requirement of Regulation 10(1) (d) 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. 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 connection with 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 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
  - (ii) to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations;have not been met, or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

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

Dated: 10 May 2017

# THE FINDHORN VILLAGE CONSERVATION COMPANY

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2017

	Notes	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
<b><u>Income from:</u></b>					
Donations and legacies	2	617	10,889	11,506	78,208
Other trading activities	3	125	125	250	-
Investments	4	-	25	25	2
<b>Total income</b>		<u>742</u>	<u>11,039</u>	<u>11,781</u>	<u>78,210</u>
<b><u>Expenditure on:</u></b>					
Charitable activities	5	1,625	13,051	14,676	2,431
Other	8	571	-	571	1,027
<b>Total resources expended</b>		<u>2,196</u>	<u>13,051</u>	<u>15,247</u>	<u>3,458</u>
<b>Net (outgoing)/incoming resources before transfers</b>		(1,454)	(2,012)	(3,466)	74,752
Gross transfers between funds		(1,382)	1,382	-	-
<b>Net (expenditure)/income for the year/ Net movement in funds</b>		<u>(2,836)</u>	<u>(630)</u>	<u>(3,466)</u>	<u>74,752</u>
Fund balances at 1 April 2016		<u>554,091</u>	<u>50,707</u>	<u>604,798</u>	<u>530,046</u>
<b>Fund balances at 31 March 2017</b>		<u><u>551,255</u></u>	<u><u>50,077</u></u>	<u><u>601,332</u></u>	<u><u>604,798</u></u>

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.

# THE FINDHORN VILLAGE CONSERVATION COMPANY

## STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2017

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	Notes	2017 £	£	2016 £	£
<b>Fixed assets</b>					
Property, plant and equipment	10		531,233		531,233
<b>Current assets</b>					
Cash at bank and in hand		70,604		74,045	
<b>Current liabilities</b>	11	(505)		(480)	
Net current assets			70,099		73,565
<b>Total assets less current liabilities</b>			601,332		604,798
<b>Income funds</b>					
Restricted funds	12		50,077		50,707
<u>Unrestricted funds</u>					
Designated funds	13	531,233		531,233	
General unrestricted funds		20,022		22,858	
			551,255		554,091
			601,332		604,798

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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 March 2017. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts.

The trustees' responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing accounts 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 accounts, so far as applicable to the company.

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

The accounts were approved by the Trustees on 10 May 2017

P A Hall  
Trustee

Company Registration No. SC397770

# THE FINDHORN VILLAGE CONSERVATION COMPANY

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

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### 1 Accounting policies

#### Charity information

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

#### 1.1 Accounting convention

The accounts have been prepared in accordance with the charity's applicable standards, 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 sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

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

These accounts for the year ended 31 March 2017 are the first accounts of The Findhorn Village Conservation Company prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 April 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

#### 1.2 Going concern

At the time of approving the accounts, the trustees are of the opinion that there are no material uncertainties about the charity's ability to continue and 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.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the accounts.

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 accounts.

#### 1.4 Incoming resources

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.

# THE FINDHORN VILLAGE CONSERVATION COMPANY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

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### 1 Accounting policies

(Continued)

All incoming resources are included in income when the company is legally entitled to the income and the amount can be quantified with reasonable accuracy.

#### 1.5 Resources expended

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.

#### 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	Land is not depreciated
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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.

Expenditure of less than £500 is not capitalised.

#### 1.7 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.

#### 1.8 Governance costs

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.

#### 1.9 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.

#### 1.10 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.

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.

Designated funds are funds raised by the charity and set aside for specific purposes. Designated funds are used only for the purposes for which the funds were intended.

# THE FINDHORN VILLAGE CONSERVATION COMPANY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

### 2 Donations and legacies

	Unrestricted funds	Restricted funds	Total 2017	Total 2016
	£	£	£	£
Donations and gifts	617	1,138	1,755	5,711
Grants receivable	-	9,751	9,751	72,497
	<u>617</u>	<u>10,889</u>	<u>11,506</u>	<u>78,208</u>

### 3 Other trading activities

	Unrestricted funds	Restricted funds	Total 2017	Total 2016
	£	£	£	£
Fundraising events	125	125	250	-
	<u>125</u>	<u>125</u>	<u>250</u>	<u>-</u>

### 4 Investments

	Unrestricted funds	Restricted funds	Total 2017	Total 2016
	£	£	£	£
Interest receivable	-	25	25	2
	<u>-</u>	<u>25</u>	<u>25</u>	<u>2</u>

### 5 Charitable activities

	2017	2016
	£	£
Meetings	316	254
Advertising	428	12
Travel	518	1,964
Insurance	106	-
Conference	150	140
Telephone	18	18
Bank charges	-	30
General expenses	50	13
Membership fees	30	-
Repairs - including met from restricted funds	668	-
Legal fees - met from restricted funds	12,392	-
	<u>14,676</u>	<u>2,431</u>

# THE FINDHORN VILLAGE CONSERVATION COMPANY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

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### 6 Trustees

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

### 7 Employees

There were no employees during the year and consequently no employee earned more than £60,000.

### 8 Other

	2017	2016
	£	£
Independent examiners fee	505	610
Postage and stationery	66	417
	<u>571</u>	<u>1,027</u>

### 9 Taxation

The charity is not subject to corporation tax due to its charitable status.

### 10 Property, plant and equipment

	Land £
<b>Cost</b>	
At 1 April 2016	531,233
At 31 March 2017	<u>531,233</u>
<b>Carrying amount</b>	
At 31 March 2017	<u>531,233</u>
At 31 March 2016	<u>531,233</u>

### 11 Current liabilities

	2017	2016
	£	£
Accruals and deferred income	<u>505</u>	<u>480</u>

# THE FINDHORN VILLAGE CONSERVATION COMPANY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2017

#### 12 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2016 £	Movement in funds			Balance at 31 March 2017 £
		Income £	Expenses £	Transfers £	
David Urquhart Bequest	50,707	1,288	(1,920)	2	50,077
Scottish Land Fund	-	9,751	(11,131)	1,380	-
	<u>50,707</u>	<u>11,039</u>	<u>(13,051)</u>	<u>1,382</u>	<u>50,077</u>

The Scottish Land Fund Grants were for related costs of the garage site.

The David Urquhart bequest is for the provision of a walkway allowing disabled access.

#### 13 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 April 2016 £	Movement in funds		Balance at 31 March 2017 £
		Additions £	Resources expended £	
Land value	531,233	-	-	531,233
	<u>531,233</u>	<u>-</u>	<u>-</u>	<u>531,233</u>

Designated fund is the land value transferred from restricted funds on the purchase of the property.

#### 14 Analysis of net assets between funds

	Unrestricted £	Restricted £	Total £
Fund balances at 31 March 2017 are represented by:			
Property	531,233	-	531,233
Current assets/(liabilities)	20,022	50,077	70,099
	<u>551,255</u>	<u>50,077</u>	<u>601,332</u>

The unrestricted fund includes £531,233 of designated funds.