

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 2019

THE FINDHORN VILLAGE CONSERVATION COMPANY

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	F Allan M A S Barber N Edmonds Ms C M Hunt (MBE) M A Hyde D J Watson N Robertson S B Russell S Theman C Low
Secretary	C Low
Charity number (Scotland)	SC044408
Company number	SC397770
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 plc PO Box 1000 BX2 1LB
Solicitors	Ledingham Chalmers LLP Kintail House Beechwood Park Inverness IV2 3BW

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 2019

The trustees present their report and financial statements for the year ended 31 March 2019.

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.

The charity is highly dependent on the support of volunteers who provided 6,500 hours unpaid service during the year to 31 March 2019.

The charity is grateful for all the support provided by residents and others throughout the year. This support has enabled the charity to progress with developments in line with our objectives.

Achievements and performance

The Company has this year concentrated on implementing income generating schemes in line with the feasibility study carried out at the time of purchase of the land from Novar Estate.

The two main developments have been -

- The Garage Site. During the year we have carried out essential repairs to eight garages and one workshop and they have all been let out. The remaining four garages are being rehabilitated to provide a unit for a workshop and units for a Pottery, all of which have been let out. We hope these units will be operational by June. Electricity has been brought to site and an application made for an electric car charging point. We are looking at the possibilities for the remaining units and have engaged Athena Solutions to carry out further community consultation.
- The West Parking Area. The site became operational as a voluntary paying scheme in June 2018. We have received many positive written responses from visitors using the site. The money generated from this scheme will be used to make improvements in the village. We have repaired the fences and potholes in west car parking area.

The Company is working closely with Moray Council to ensure the two toilet blocks in Findhorn remain open for the use of residents and visitors. We hope Moray Council will enable us to take ownership of the toilet blocks via the Community Asset Transfer Scheme.

The Company after consultation with the police has taken action to secure the entrance to the Royal Observer Corps bunker.

The Company continues to work on raising funds for the David Urquhart Path. Currently we have secured 65% of the funding requirement. The community held a successful fundraising event at the garage site. An evening that was enjoyed by all who attended.

The Company is working with the Dunes Trust in order to take measures to restrict vehicular access to the fragile dune environment.

The Company continues to have to deal with difficult inherited problems in relation to land ownership boundaries and access through the stryplies. These issues are problematic and proving very difficult and costly to resolve.

We look forward to your continued support over the next year and beyond.

THE FINDHORN VILLAGE CONSERVATION COMPANY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

Financial review

At the year end unrestricted funds showed a negative balance of £522, designated funds amounted to £729,765 and restricted funds amounted to £47,194. The negative balance on unrestricted funds arose due to a shortfall on the funding for the garage purchase meaning that unrestricted funds had to be used for this purpose. The trustees are aware of this and believe that the situation will be resolved in the next year.

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 charity secured funding and a Risk Register of our land holdings and assets has been completed and documented.

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 trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

J M Harris (Resigned 30 March 2019)

F Allan

M A S Barber

N Edmonds

P A Hall (Resigned 20 June 2018)

J M Harris (Resigned 1 April 2019)

Ms C M Hunt (MBE)

M A Hyde

D J Watson

N Robertson

S B Russell

S Theman

C Low

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.

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

F Allan

Trustee

Dated: 16 May 2019

THE FINDHORN VILLAGE CONSERVATION COMPANY

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2019

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;
- maintenance and integrity of the corporate and financial information included on the charity's website.

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

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE FINDHORN VILLAGE CONSERVATION COMPANY

I report on the financial statements of the charity for the year ended 31 March 2019, which are set out on pages 5 to 15.

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 financial statements 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 financial statements to be reached.

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

Dated: 16 May 2019

THE FINDHORN VILLAGE CONSERVATION COMPANY

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2019

	Notes	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
<u>Income from:</u>					
Donations and legacies	2	9,665	14,870	24,535	182,039
Other trading activities	3	6,388	3,520	9,908	505
Investments	4	-	25	25	23
Total income		16,053	18,415	34,468	182,567
<u>Expenditure on:</u>					
Raising funds	5	168	300	468	-
Charitable activities	6	6,446	15,032	21,478	18,805
Other	9	624	-	624	555
Total expenditure		7,238	15,332	22,570	19,360
Net incoming resources before transfers		8,815	3,083	11,898	163,207
Gross transfers between funds		8,071	(8,071)	-	-
Reconciliation of funds					
Net movement in funds		16,886	(4,988)	11,898	163,207
Fund balances at 1 April 2018		712,357	52,182	764,539	601,332
Fund balances at 31 March 2019		729,243	47,194	776,437	764,539

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 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Property, plant and equipment	11	531,233		531,233	
Investment properties	12	198,532		185,669	
		<u>729,765</u>		<u>716,902</u>	
Current assets					
Cash at bank and in hand		93,672		92,617	
Current liabilities	13	<u>(550)</u>		<u>(530)</u>	
Net current assets			93,122		92,087
Total assets less current liabilities			822,887		808,989
Non-current liabilities	14		(46,450)		(44,450)
Net assets			<u>776,437</u>		<u>764,539</u>
Income funds					
Restricted funds	15	47,194		52,182	
<u>Unrestricted funds</u>					
Designated funds	16	729,765		716,902	
General unrestricted funds		<u>(522)</u>		<u>(4,545)</u>	
			729,243		712,357
			<u>776,437</u>		<u>764,539</u>

THE FINDHORN VILLAGE CONSERVATION COMPANY

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 MARCH 2019

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 2019. 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 16 May 2019

F Allan
Trustee

Company Registration No. SC397770

THE FINDHORN VILLAGE CONSERVATION COMPANY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

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 House, Church Place, Findhorn, Moray, IV36 3YR. The company is a Public Benefit Entity.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], 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)" (effective 1 January 2015). 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 financial statements are prepared in sterling, which is the functional currency of the charity.

The financial statements have been prepared under the historical cost convention, modified to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

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 financial statements.

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.

THE FINDHORN VILLAGE CONSERVATION COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

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.

Rental income consists of rentals receivable, excluding any discounts or credits in the period under contracts to supply services to third parties. It includes the relevant proportion of contract value for performance up to the period end.

Grants from the Government and other agencies are included as income from activities in the furtherance of the charity's objects where these amount to a contract for services, but as donations where the money is given in response to an appeal or with greater freedom of use, for example, government block grants.

1.5 Expenditure

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 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

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.

THE FINDHORN VILLAGE CONSERVATION COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

1.10 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.

1.11 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.

1.12 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.

2 Donations and legacies

	Unrestricted funds	Restricted funds	Total 2019	Total 2018
	£	£	£	£
Donations and gifts	9,665	689	10,354	4,039
Grants receivable	-	14,181	14,181	178,000
	<u>9,665</u>	<u>14,870</u>	<u>24,535</u>	<u>182,039</u>

3 Other trading activities

	Unrestricted funds	Restricted funds	Total 2019	Total 2018
	£	£	£	£
Fundraising events	588	3,520	4,108	505
Garage rental	5,800	-	5,800	-
Other trading activities	<u>6,388</u>	<u>3,520</u>	<u>9,908</u>	<u>505</u>

THE FINDHORN VILLAGE CONSERVATION COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

4 Investments

	2019	2018
	£	£
Interest receivable	25	23
	<u> </u>	<u> </u>

5 Raising funds

	Unrestricted funds	Restricted funds	Total	Total
	2019 £	2019 £	2019 £	2018 £
Fundraising and publicity				
Other fundraising costs	168	300	468	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	168	300	468	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
For the year ended 31 March 2018	<u> </u>	<u> </u>		<u> </u>

THE FINDHORN VILLAGE CONSERVATION COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

6 Charitable activities

	2019 £	2018 £
Advertising	24	30
Insurance	371	469
Conference	-	110
Telephone	-	24
Bank charges	-	50
General expenses	124	53
Membership fees	108	130
Repairs - including met from unrestricted funds	2,016	718
Repairs - including met from restricted funds	7,679	-
Legal fees - met from restricted funds	7,353	9,113
Legal fees - met from unrestricted funds	3,756	7,625
Loan interest paid	-	303
Loan admin fee	-	180
Rates	47	-
	<u>21,478</u>	<u>18,805</u>
Analysis by fund		
Unrestricted funds	6,446	
Restricted funds	15,032	
	<u>21,478</u>	
For the year ended 31 March 2018		
Unrestricted funds		9,459
Restricted funds		9,346
		<u>18,805</u>

7 Trustees

None of the trustees (or any persons connected with them) received any remuneration or reimbursement of expenses during the year. There are no other related parties.

8 Employees

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

THE FINDHORN VILLAGE CONSERVATION COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

9 Other

	2019	2018
	£	£
Independent examiners fee	548	529
Postage and stationery	76	26
	<u>624</u>	<u>555</u>

10 Taxation

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

11 Property, plant and equipment

	Land £
Cost	
At 1 April 2018	531,233
At 31 March 2019	<u>531,233</u>
Carrying amount	
At 31 March 2019	<u>531,233</u>
At 31 March 2018	<u>531,233</u>

12 Investment property

	2019 £
Fair value	
At 1 April 2018	185,669
Additions through external acquisition	<u>12,863</u>
At 31 March 2019	<u>198,532</u>

The investment properties are subject to annual valuation based on the market values of properties of a similar nature and location. The valuations are carried out annually by the Trustees and periodically by a firm of independent chartered surveyors. All the company's investment properties are used in operating leases.

13 Current liabilities

	2019 £	2018 £
Accruals and deferred income	<u>550</u>	<u>530</u>

THE FINDHORN VILLAGE CONSERVATION COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

14 Non-current liabilities

	2019 £	2018 £
Other payables	46,450	44,450

15 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 2018 £	Movement in funds			Balance at 31 March 2019 £
		Income £	Expenses £	Transfers £	
David Urquhart Bequest	46,042	4,234	(5,932)	-	44,344
Garage Refurbishment Fund	6,140	4,639	(2,708)	(8,071)	-
Development Officer Fund	-	8,320	(5,470)	-	2,850
Grant - to host BBQ	-	300	(300)	-	-
Boundary Dispute	-	922	(922)	-	-
	52,182	18,415	(15,332)	(8,071)	47,194

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

The Garage Refurbishment Fund consists of grants received from the Scottish Land Fund/HIE to help fund the renovation of the garage site.

The Development Officer Fund consists of grants received from the Scottish Land Fund/HIE to help fund the salary of a Development Officer for the company.

The company received a grant on the year from CLS to help fund a BBQ event.

The Boundary Dispute grant was received from HIE towards legal fees for the boundary dispute.

The transfer from restricted funds represents assets funded from the Garage Refurbishment Fund.

THE FINDHORN VILLAGE CONSERVATION COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

16 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 2018	Movement in funds Additions	Balance at 31 March 2019
	£	£	£
Land value	716,902	12,863	729,765
	<u>716,902</u>	<u>12,863</u>	<u>729,765</u>

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

17 Analysis of net assets between funds

	Unrestricted 2019	Restricted 2019	Total 2019	Total 2018
	£	£	£	£
Fund balances at 31 March 2019 are represented by:				
Property, plant and equipment	531,233	-	531,233	531,233
Investment properties	198,532	-	198,532	185,669
Current assets/(liabilities)	45,928	47,194	93,122	92,087
Long term liabilities	(46,450)	-	(46,450)	(44,450)
	<u>729,243</u>	<u>47,194</u>	<u>776,437</u>	<u>764,539</u>

The unrestricted fund includes £729,765 (2018- £716,902) of designated funds.