Co's House

REGISTERED COMPANY NUMBER: SC271462 (Scotland)
REGISTERED CHARITY NUMBER: SC044637

REPORT OF THE TRUSTEES AND UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015 FOR WESTERN ISLES DEVELOPMENT TRUST

CIB Services
Chartered Accountants
63 Kenneth Street
Stornoway
Isle of Lewis
Western Isles
HS1 2DS

WESTERN ISLES DEVELOPMENT TRUST

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

WESTERN ISLES DEVELOPMENT TRUST

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2015

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2015. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS
Registered Company number
SC271462 (Scotland)

Registered Charity number
SC044637

Registered office
c/o Council Offices
Sandwick Road
Stornoway
Isle of Lewis
HS1 2BW

Trustees

Independent examiner
Calum Macdonald
Chartered Accountant/ICAS
CIB Services
Chartered Accountants
63 Kenneth Street
Stornoway
Isle of Lewis
Western Isles
HS1 2DS

Bankers
Royal Bank of Scotland
17 North Beach Street
Stornoway
Isle of Lewis
HS1 2XH

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Association is a charitable company limited by guarantee, incorporated on 2 August 2004 and registered as a charity with effect from 11 February 2014. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, members are required to contribute an amount not exceeding £1.

Recruitment and appointment of new trustees

The directors of the company are also charity trustees for the purpose of charity law.

Under the terms of the Memorandum and Articles of Association, unless otherwise determined by ordinary resolution of the company, the number of directors shall not be more than 20 and not less than 7. Where there are only 7 directors appointed, 2 of those 7 directors must be elected directors.

The nominated members shall be entitled to appoint up to a maximum of 12 people to be directors of the company.

The ordinary members shall be entitled to appoint 4 directors of the company and, unless otherwise determined by the directors:-

- one director appointed by the ordinary members shall, in the case of an individual, be ordinarily resident in Barra or, in the case of a corporate body, shall have a presence in Barra, and:
- one director appointed by the ordinary members shall, in the case of an individual, be ordinarily resident in Harris or, in the case of a corporate body, shall have a presence in Harris, and:
- one director appointed by the ordinary members shall, in the case of an individual, be ordinarily resident in Lewis or, in the case of a corporate body, shall have a presence in Lewis, and:
- one director appointed by the ordinary members shall, in the case of an individual, be ordinarily resident in Uist or, in the case of a body corporate, shall have a presence in Uist.

Subject to Article 23, each elected director shall serve for a maximum period of three years from the date of appointment as a director. At the end of this period, that elected director shall immediately resign but shall be eligible for re-appointment for subsequent periods of up to three years.

Induction and training of new trustees

The charity undertakes training for trustees to ensure awareness and understanding of:-

- the responsibilities of directors;
- the organisational structure of the charity;
- the financial position of the charity; and
- the future plans and objectives of the charity.

Organisational structure

The board consists of voluntary directors who manage the affairs of the charity through regular board meetings. The board members are heavily involved in the day to day operations of the charity.

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.

The trustees have assessed the major risks to which the charity is exposed, in particular those relating to the operations and finances of the charity, and are satisfied that systems are in place to mitigate their exposure to the major risks.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The main objectives of the charity are:
- the prevention or relief of poverty in the Western Isles (the "Western Isles Community") including, without limitation, the provision of support and grants to organisations and individuals working to prevent or relieve poverty including through energy efficient schemes and:
- the advancement of education including, without limitation, the provision, maintenance and improvement of educational facilities and raising awareness in relation to energy and energy-related issues that are driving global, national and local change;
- the advancement of environmental protection or improvement, including, without limitation, supporting a forward-looking environmental enhancement approach and the provision, maintenance and improvement of environmental facilities;
- the advancement of citizenship and community development including, without limitation, urban or rural regeneration, maintenance and improvement of the physical and social infrastructure within the environs of the Western Isles, including supporting the aspirations of local communities and the provision, maintenance and improvement of recreational facilities;
- the advancement of the arts, heritage, culture or science including, without limitation, the provision, maintenance and improvement of recreational and cultural facilities and raising awareness of the Gaelic language; and
- animal welfare.

Grantmaking

Since 31 August 2015 the Company has made payment of £10,000 to Cothrom Limited in South Uist and £8,000 to the Western Isles Community Care Forum in Harris to assist these charities in investing in renewable technology/energy efficiency measures.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The purpose of the Trust is to support the regeneration and development of the Outer Hebrides through disbursement of community benefit secured from the local deployment of renewable energy installations. This community benefit will come from a range of technologies, predominately onshore wind, offshore wind, wave and tidal. Over time and as grid connectivity allows, the Trust will expand its activities to support community ownership of large scale renewable energy infrastructure with the objective of addressing fuel poverty through access to locally generated "green" electricity.

FINANCIAL REVIEW

Reserves policy

The general fund represents the unrestricted funds from past operating results. It also represents the free reserves of the charity. The trustees consider that the level of the free reserves in unrestricted funds at 31 August 2015 is sufficient to meet the operational requirements of the charity as presently structured.

During the year the charity's incoming resources exceeded resources expended resulting in net income of £21,307 for the period (2014 - net income of £328,429). This results in a decrease of £753 in unrestricted funds and an increase of £22,060 in restricted funds. Unrestricted reserves has as a result decreased to £2,565.

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

Approved by order of the board of trustees on ..20...May....2016.......... and signed on its behalf by:

....
A Campbell - Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF WESTERN ISLES DEVELOPMENT TRUST

I report on the accounts for the year ended 31 August 2015 set out on pages five to eleven.

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)(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 the independent examiner's report
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 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:

(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 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

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Calum Macdonald

Calum Macdonald
Chartered Accountant/ICAS
CIB Services
Chartered Accountants
63 Kenneth Street
Stornoway
Isle of Lewis
Western Isles
HS1 2DS

Date: 19 May 2016

WESTERN ISLES DEVELOPMENT TRUST

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2015

	Notes	Unrestricted fund £	Restricted fund £	31.8.15 Total funds £	31.8.14 Total funds £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	2	**145**	**22,060**	**22,205**	328,356
Investment income	3	**-**	**-**	**-**	1,152
Total incoming resources		**145**	**22,060**	**22,205**	329,508
RESOURCES EXPENDED					
Governance costs	4	**738**	**-**	**738**	970
Other resources expended	5	**160**	**-**	**160**	109
Total resources expended		**898**	**-**	**898**	1,079
NET INCOME/(EXPENDITURE) FOR THE YEAR		**(753)**	**22,060**	**21,307**	328,429
RECONCILIATION OF FUNDS					
Total funds brought forward		**3,318**	**342,675**	**345,993**	17,564
TOTAL FUNDS CARRIED FORWARD		**2,565**	**364,735**	**367,300**	345,993

The notes form part of these financial statements

BALANCE SHEET
AT 31 AUGUST 2015

	Notes	31.8.15 £	31.8.14 £
CURRENT ASSETS			
Debtors	7	-	298,027
Cash at bank		**369,540**	49,372
		369,540	347,399
CREDITORS			
Amounts falling due within one year	8	**(2,240)**	(1,406)
NET CURRENT ASSETS		**367,300**	345,993
TOTAL ASSETS LESS CURRENT LIABILITIES		**367,300**	345,993
NET ASSETS		**367,300**	345,993
FUNDS	10		
Unrestricted funds		**2,565**	3,318
Restricted funds		**364,735**	342,675
TOTAL FUNDS		**367,300**	345,993

The notes form part of these financial statements

continued...

BALANCE SHEET - CONTINUED
AT 31 AUGUST 2015

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 August 2015.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 August 2015 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for
(a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
(b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each 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 charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Trustees on 20 May 2016 and were signed on its behalf by:

A Campbell -Trustee

N A Macdonald -Trustee

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Accounting convention
The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

Incoming resources
All incoming resources are included on the Statement of Financial Activities when the charity is legally 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 donations and subscriptions and is included in full in the Statement of Financial Activities when receivable.

- Investment income is included when receivable.

Resources expended
Expenditure is accounted for on an accruals basis as a liability is incurred and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. As the charity is not registered for VAT, irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Governance costs
Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include accountancy fees and costs linked to the strategic management of the charity.

Allocation and apportionment of costs
All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis e.g. estimated usage.

Taxation
The charity is exempt from corporation tax on its charitable activities.

Fund accounting
Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

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.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2. VOLUNTARY INCOME

	31.8.15	31.8.14
	£	£
Donations	**22,060**	328,301
Subscriptions	**145**	55
	22,205	328,356

3. INVESTMENT INCOME

	31.8.15	31.8.14
	£	£
Interest receivable	-	1,152

All investment income arises from assets held within the UK.

4. GOVERNANCE COSTS

	31.8.15	31.8.14
	£	£
Accountancy	738	720
Professional fees	-	250
	738	970

5. OTHER RESOURCES EXPENDED

	31.8.15	31.8.14
	£	£
Support costs	160	109

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2015 nor for the year ended 31 August 2014.

Trustees' expenses
There were no trustees' expenses paid for the year ended 31 August 2015 nor for the year ended 31 August 2014.

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.15	31.8.14
	£	£
Other debtors	-	298,027

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.15	31.8.14
	£	£
Trade creditors	-	686
Other creditors	2,240	720
	2,240	1,406

9. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund	Restricted fund	31.8.15 Total funds	31.8.14 Total funds
	£	£	£	£
Current assets	4,805	364,735	369,540	347,399
Current liabilities	(2,240)	-	(2,240)	(1,406)
	2,565	364,735	367,300	345,993

10. MOVEMENT IN FUNDS

	At 1.9.14	Net movement in funds	At 31.8.15
	£	£	£
Unrestricted funds			
General fund	3,318	(753)	2,565
Restricted funds			
Restricted fund	342,675	22,060	364,735
TOTAL FUNDS	345,993	21,307	367,300

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	145	(898)	(753)
Restricted funds			
Restricted fund	22,060	-	22,060
TOTAL FUNDS	22,205	(898)	21,307

FUNDS

General fund
The general fund represents unrestricted funds which the trustees are free to use in accordance with the charitable objects.

Restricted fund
This represents community benefit funds secured from the local deployment of renewable energy installations. The funds will be utilised to support the regeneration and development of the Outer Hebrides.

11. LIMITED BY GUARANTEE

The company is limited by guarantee and has no share capital. The liability of each member, in the event of the company being wound up, is restricted to £1.

12. PERMANENT ENDOWMENTS

The charity does not have any permanent endowments.