

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

REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 AUGUST 2017
FOR
WESTERN ISLES DEVELOPMENT TRUST

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

WESTERN ISLES DEVELOPMENT TRUST
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FOR THE YEAR ENDED 31 AUGUST 2017

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WESTERN ISLES DEVELOPMENT TRUST

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 AUGUST 2017**

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 2017. The trustees have adopted the provisions of 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

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

Grants awarded

Group	Amount
	£
Western Isles Community Care Forum	8,000
Community Energy Scotland	43,446
Pairc Trust	10,000
Carloway Estate Trust	3,750
	65,196

Grants awarded from Transocean Funds

Group	Amount
	£
Lewis & Harris Sports Council	20,000
Uist & Barra Sports Council	10,000
Transocean Dalmore Fund	3,000
	33,000

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.

WESTERN ISLES DEVELOPMENT TRUST

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 AUGUST 2017**

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 2017 is sufficient to meet the operational requirements of the charity as presently structured.

During the year the charity's incoming resources exceeded outgoing resources resulting in net surplus of £83,666 for the period (2016 - deficit of £17,671). This results in an decrease of £1,503 in unrestricted funds and an increase of £85,169 in restricted funds. Unrestricted reserves has as a result decreased to £1,072.

During the year £120,000 was received from the company Transocean Ltd. Half of these monies are to be distributed specifically for islanders participating in sporting events. The other half is being held specifically for the Dalbeg and Dalmore communities.

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 8 directors of the company and, unless otherwise determined by the directors:-

- two directors 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;
- two directors 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;
- two directors 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;
- two directors 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.

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.

Induction and training of new trustees

The charity will train trustees as necessary 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.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

SC271462 (Scotland)

WESTERN ISLES DEVELOPMENT TRUST

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 AUGUST 2017**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

SC044637

Registered office

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

Trustees

A Campbell	Chair	- resigned 17.5.17
N A Macdonald	Chair	
I Mackenzie		- resigned 17.5.17
A D Muir		
Ms C M Bell	Vice Chair	
D E Cameron		
K Dodson		- resigned 23.3.18
I M Maciver		
C M Macleay		- resigned 8.8.17
H Macleod		
Ms C M Macneil		- resigned 23.3.18
S D Wilson		
Mrs R L Mackenzie		
J Macleod		- resigned 23.3.18
A D Dick		- resigned 23.3.18
G Murray		- resigned 17.5.17
N Macdonald		- appointed 17.5.17
D J Mackay		- appointed 17.5.17
I A Macneil		- appointed 13.6.17
C I Maclean		- appointed 13.6.17
A K Mackenzie		- appointed 23.3.18
D Morrison		- appointed 23.3.18
J G Mitchell		- appointed 23.3.18
C J Mackay		- appointed 23.3.18
Ms J A Morrison-Ross		- appointed 23.3.18
A V Walker		- appointed 23.3.18
R J M Jardine		- appointed 23.3.18

Corporate Trustee

Còimhearsachd Bharraigh agus Bhatarsaidh - appointed 23.3.18

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

WESTERN ISLES DEVELOPMENT TRUST

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2017

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 29 May.....2018..... and signed on its behalf by:

N. A. Macdonald
.....
N A Macdonald - Trustee

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

I report on the accounts for the year ended 31 August 2017 set out on pages six to twelve.

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.

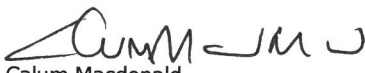
Independent examiner's statement

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

Date: 29/5/18.....

WESTERN ISLES DEVELOPMENT TRUST
STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2017

	Notes	Unrestricted fund £	Restricted funds £	31.8.17 Total funds £	31.8.16 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	<u>30</u>	<u>193,365</u>	<u>193,395</u>	<u>40,400</u>
Total		30	193,365	193,395	40,400
EXPENDITURE ON					
Charitable activities	3				
Charitable Activities		<u>1,533</u>	<u>108,196</u>	<u>109,729</u>	<u>58,071</u>
NET INCOME/(EXPENDITURE)		(1,503)	85,169	83,666	(17,671)
RECONCILIATION OF FUNDS					
Total funds brought forward		2,575	347,054	349,629	367,300
TOTAL FUNDS CARRIED FORWARD		<u>1,072</u>	<u>432,223</u>	<u>433,295</u>	<u>349,629</u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

WESTERN ISLES DEVELOPMENT TRUST

BALANCE SHEET
AT 31 AUGUST 2017

	Notes	31.8.17 £	31.8.16 £
CURRENT ASSETS			
Debtors	6	10,000	10,000
Cash at bank		450,692	398,869
		460,692	408,869
CREDITORS			
Amounts falling due within one year	7	(27,397)	(59,240)
NET CURRENT ASSETS		433,295	349,629
TOTAL ASSETS LESS CURRENT LIABILITIES		433,295	349,629
NET ASSETS		433,295	349,629
FUNDS			
Unrestricted funds	9	1,072	2,575
Restricted funds		432,223	347,054
TOTAL FUNDS		433,295	349,629

The notes form part of these financial statements

WESTERN ISLES DEVELOPMENT TRUST

BALANCE SHEET - CONTINUED
AT 31 AUGUST 2017

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 August 2017.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 August 2017 in accordance with Section 476 of the Companies Act 2006.

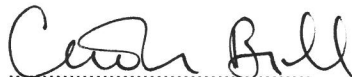
The trustees acknowledge their responsibilities for

- (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 charitable small companies.

The financial statements were approved by the Board of Trustees on 29 May 2018 and were signed on its behalf by:


.....
N A Macdonald -Trustee


.....
Ms C M Bell -Trustee

The notes form part of these financial statements

WESTERN ISLES DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 AUGUST 2017**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis 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.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its objects and activities. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them. The allocation of direct and support costs are analysed in the notes to the financial statements.

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. DONATIONS AND LEGACIES

	31.8.17	31.8.16
	£	£
Donations	193,365	40,390
Subscriptions	30	10
	193,395	40,400

WESTERN ISLES DEVELOPMENT TRUST
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2017

3. CHARITABLE ACTIVITIES COSTS

	Direct costs	Grant funding of activities	Support costs	Totals
	£	£	£	£
Charitable Activities	<u>759</u>	<u>108,196</u>	<u>774</u>	<u>109,729</u>

4. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2017 nor for the year ended 31 August 2016.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2017 nor for the year ended 31 August 2016.

5. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	<u>10</u>	<u>40,390</u>	<u>40,400</u>
Total	10	40,390	40,400
EXPENDITURE ON			
Charitable activities			
Charitable Activities	<u>-</u>	<u>58,071</u>	<u>58,071</u>
Total	-	58,071	58,071
NET INCOME/(EXPENDITURE)	10	(17,681)	(17,671)
RECONCILIATION OF FUNDS			
Total funds brought forward	2,565	364,735	367,300
TOTAL FUNDS CARRIED FORWARD	<u>2,575</u>	<u>347,054</u>	<u>349,629</u>

6. DEBTORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.8.17	31.8.16
	£	£
Other debtors	<u>10,000</u>	<u>10,000</u>

WESTERN ISLES DEVELOPMENT TRUST
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2017

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.17	31.8.16
	£	£
Trade creditors	25,121	56,982
Other creditors	1,502	1,502
Accrued expenses	774	756
	27,397	59,240

8. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund	Restricted funds	31.8.17 Total funds	31.8.16 Total funds
	£	£	£	£
Current assets	3,469	457,223	460,692	408,869
Current liabilities	(2,397)	(25,000)	(27,397)	(59,240)
	1,072	432,223	433,295	349,629

9. MOVEMENT IN FUNDS

	At 1.9.16	Net movement in funds	At 31.8.17
	£	£	£
Unrestricted funds			
General fund	2,575	(1,503)	1,072
Restricted funds			
Restricted fund	347,054	(1,831)	345,223
Transocean Fund	-	87,000	87,000
	347,054	85,169	432,223
TOTAL FUNDS	349,629	83,666	433,295

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	30	(1,533)	(1,503)
Restricted funds			
Restricted fund	73,365	(75,196)	(1,831)
Transocean Fund	120,000	(33,000)	87,000
	193,365	(108,196)	85,169
TOTAL FUNDS	193,395	(109,729)	83,666

WESTERN ISLES DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2017

9. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.9.15 £	Net movement in funds £	At 31.8.16 £
Unrestricted Funds			
General fund	2,565	10	2,575
Restricted Funds			
Restricted fund	364,735	(17,681)	347,054
TOTAL FUNDS	<u>367,300</u>	<u>(17,671)</u>	<u>349,629</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	10	-	10
Restricted funds			
Restricted fund	40,390	(58,071)	(17,681)
TOTAL FUNDS	<u>40,400</u>	<u>(58,071)</u>	<u>(17,671)</u>

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.

Transocean fund

This represents funds gifted from Transocean Ltd held for distribution to individuals and the communities of Dalmore and Dalbeg.

10. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 August 2017.

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.

WESTERN ISLES DEVELOPMENT TRUST

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2017**

	Unrestricted funds £	Restricted funds £	31.8.17 Total funds £	31.8.16 Total funds £
INCOME AND ENDOWMENTS				
Donations and legacies				
Donations	-	193,365	193,365	40,390
Subscriptions	30	-	30	10
	<u>30</u>	<u>193,365</u>	<u>193,395</u>	<u>40,400</u>
Total incoming resources	30	193,365	193,395	40,400
EXPENDITURE				
Charitable activities				
Sundries	698	-	698	272
Bank Charges	61	-	61	60
Grants to institutions	-	108,196	108,196	56,983
	<u>759</u>	<u>108,196</u>	<u>108,955</u>	<u>57,315</u>
Support costs				
Governance costs				
Accountancy and legal fees	774	-	774	756
	<u>1,533</u>	<u>108,196</u>	<u>109,729</u>	<u>58,071</u>
Total resources expended	1,533	108,196	109,729	58,071
Net income/(expenditure)	<u>(1,503)</u>	<u>85,169</u>	<u>83,666</u>	<u>(17,671)</u>

This page does not form part of the statutory financial statements