

# **Acharacle Community Company**

(a company limited by guarantee)

charity number SC033393  
company number SC217376

## **Director-Trustees' Report and Financial Statements for the year ended 31 March 2021**

# Acharacle Community Company

(a company limited by guarantee)

charity number SC033393  
company number SC217376

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## Legal and administrative information

### Business address & registered office

Acharacle Community Centre  
Morrison Place  
Acharacle  
PH36 4JJ

### Director-Trustees

Mia Grace Berwick		<i>appointed 3 March 2021</i>
DavidJohn Cameron		<i>elected</i>
Tracy Jayne Cameron		<i>appointed 3 March 2021</i>
Fiona Cameron		<i>elected</i>
Marie-Luise MacDonald	(chair)	<i>elected</i>
Angela Williams		<i>elected</i>
Rodney George		<i>resigned 8 March 2021</i>
David Kirkham		<i>resigned 31 March 2021</i>

*The charitable company's constitution provides for a minimum of 5 Director-Trustees of whom the majority must be members.*

### Independent Examiner (pro-bono)

Andrew G Newiss  
Chartered Accountant  
*of*  
Broombank  
North Connel  
Argyll  
PA37 1RD

### Bankers

The Co-operative Bank  
PO Box 250  
Skelmersdale  
WN8 6WT

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## Independent examiner's report to the trustee-directors on the unaudited Financial Statements

I report on the accounts for the year ended 31 Mar 2021 which are set out on pages 4 to 12.

### Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors of the company for purposes of company law) 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 (as amended).

The charity trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the 2006 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 (as amended). My 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 the course of my examination, no matter has come to my attention

- 1 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 Regulations
  - prepare accounts which agree with the accounting records and comply with Regulation 8 of the 2006 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.

**Andrew G Newiss**  
Chartered Accountant  
Independent Examiner  
Broombank  
North Connel  
Argyll  
PA37 1RD

30 December 2021



# Acharacle Community Company

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## Director-Trustees' Report for the year ended 31 March 2021

The Trustees, who are also directors of Acharacle Community Company for the purposes of company law, present their report and the Financial Statements.

The persons who served during the year and up to the date of this report are set out on page 2.

### Structure, governance and management

The Company was established on 27 March 2001 as an incorporated entity without share capital, limited by guarantee and registered as a Scottish charity on 9 July 2002. The liability of each member in the event of a winding up is limited to £1.

At the date of this report the Charity has 85 ordinary, 3 associate and no junior members.

The Board understands that this charitable company

- (a) is entitled to the exemption conferred by section 477 of the Companies Act 2006, and
- (b) meets the definition of a public benefit entity as set out by FRS 102, and
- (c) that the audit requirement of Regulation 10(1) (a) to (c) of the relevant Accounts Regulations does not apply.

The Board controls the activities of management and advisory sub-committees who handle the day-to-day operations and provide support to the board under the provisions of the Memorandum of Association, the latest version of which was approved by the members in 2020. It is the Trustees' policy to meet at least bi-monthly on a formal basis.

### Objectives and activities of the charity

The main objectives are to manage land and assets for the benefit of the local community with particular regard to the protection and sustainable development of Scotland's natural environment; rural regeneration in areas of need, the relief of poverty & unemployment and the provision, maintenance and improvement of housing, public amenities, sites of special interest, recreational and public health facilities.

### Financial Review

It is the policy of the board to retain sufficient reserves to meet the cost of all regular commitments (as well as a contingency to enable the charity to continue develop projects) has been comfortably met.

This year's Covid-reduced shortfall is met from those reserves and is expected to be the pattern for the short-term as we move to secure complete control of the Community Centre and thus be able to better manage its costs and to generate new revenues.

#### *Restricted and Designated Funds*

At the balance sheet date we held restricted funds, being monies expressly raised and designated for the Defibrillator and Play Park projects and a balance of Covid-related grants held to cover future expenditure.

### Achievements and performance

Financial results for this year exceed the board's expectations, largely because of the Covid shutdown of activity:

#### *Investment properties*

One of our two commercial properties is let as a café that, since it was unable to fully open due to Covid restrictions, was granted a rental waiver. Roof repairs costing £1,291 were also undertaken.

The residential property, "Druim Garbh" is let to the Communities Housing Trust (who renovated the property) at a nominal annual rent of £500 until 2035.

#### *Acharacle Community Centre facility & Reuse project*

Throughout the year under review we have been entitled to occupy the Centre on a rent-free basis.

By the balance sheet date, the facility was locked-down under the Covid restrictions and therefore incurred a much reduced ongoing cost, pending further developments. The Reuse project has been relocated here.

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## Director-Trustees' Report for the year ended 31 March 2021 (continued)

### Plans for future periods

#### *Covid-19 response*

We have been actively involved in a range of grant-aided initiatives to support the local community which continue into and perhaps throughout the following year. We have sought to harness all available grant aid for these initiatives which are therefore self-financing.

#### *Acharacle Community Centre facility*

Highland Council and the Scottish Land Fund have now formally authorised the 100%-funded transfer of the Acharacle Community Centre from council ownership to this charity. Completion has taken place within the 2020/21 year.

#### *Re-use project*

The Covid-enforced closure of the project's shed has led to a re-appraisal of the business model and we have now vacated those premises and have relocated a restricted range of activities to the Community Centre.

#### *Acharacle Play Park project*

The Board, acting with the enthusiastic assistance of its dedicated sub-committee, are working to achieve an asset transfer of the Children's Play Park area and are actively planning its modernisation and refurbishment. Fund raising continues apace.

### Risk identification & management

The Trustees monitor the charity's exposure to strategic, financial, business and operational risks on an ongoing basis and are satisfied that adequate systems and procedures are in place through that continuous review.

The charity maintains insurance against Public & Employer's Liability, Trustee Indemnity and Property Loss risks in the normal manner.

It is confirmed that we have no exposure to risk as a consequence in relation to the Wood School property.

### Volunteers

Without our volunteers, few of the charity's activities would happen. They provide invaluable help to us and we extend our thanks to them all.

### Trustee recruitment & training

Trustee-directors are recruited from the membership and our subcommittees serve as a pathway for potential new trustees to become familiar with the charity's affairs prior to any such appointment.

A body of compliance and advisory literature is being built up on a continuous basis to act as a reference database for acting, and potential future Director-Trustees.

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## Director-Trustees' Report for the year ended 31 March 2021 (continued)

### Trustee-directors' responsibility for the Annual Report and the Financial Statements

The Trustees confirm that they are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice [UKGAP]. Company law requires the Trustees, in their capacity as directors, to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incomings and applications of resources (including all income and expenditure) of the charitable company for that period.

In preparing these financial statements, the trustee-directors acknowledge that they are required to:

- (a) keep proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company, and
- (b) select suitable accounting policies and then apply them consistently, and
- (c) prepare the Financial Statements on a going concern basis unless it is not appropriate to do so,
- (d) make judgments and estimates that are reasonable and prudent in the circumstances, and
- (e) maximise clarity by not unnecessarily disclosing immaterial information.
- (j) state whether applicable UK Accounting Standards have been followed (subject to any material departures that are disclosed and explained in the Financial Statements), and comply with the provisions of:  
the Charities and Trustee Investment (Scotland) Act 2005;  
the Charities Accounts (Scotland) Regulations 2006 (as amended);  
the Companies Act 2006;  
Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014 (FRS 102);  
the Charities and Trustee Investment (Scotland) Act 2005, and  
the Charities Accounts (Scotland) Regulations 2006 (as amended).

### Trustees' additional responsibilities

The Trustees acknowledge their responsibilities for:

- safeguarding the assets of the charitable company, and
- the prevention & detection of fraud and other irregularities and
- the maintenance and integrity of the corporate and financial information included on the charity's website.

### Independent Examiner

The Trustees extend their thanks and appreciation to Mr Andrew Newiss who has kindly offered to perform his role on a pro-bono basis for this year.

**This report was approved by the Board on 30 Dec 2021 and signed on its behalf by**



Marie-Luise MacDonald  
(chair)

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## Statement of Financial Activities (incorporating the income and expenditure account)

	note	current year			prior year		
		<i>restricted</i>	<i>unrestricted</i>	<i>total</i>	<i>restricted</i>	<i>unrestricted</i>	<i>total</i>
		£	£	£	£	£	£
<b>income from</b>							
Donations, grants & legacies	2	9,138	6,431	<b>15,569</b>	1,186	1,757	2,943
Resource-generating activities	3	947	15,510	<b>16,457</b>	-	20,581	20,581
Investment Property rents (net)	4	-	3,879	<b>3,879</b>	-	8,494	8,494
<b>total income</b>		<b>10,085</b>	<b>25,820</b>	<b>35,905</b>	<b>1,186</b>	<b>30,832</b>	<b>32,018</b>
<b>expenditure on</b>							
Community Centre		-	7,937	<b>7,937</b>	486	37,310	37,796
Charitable activities	5	1,516	27,358	<b>28,875</b>	-	3,989	3,989
Administration & Governance	6	-	3,705	<b>3,705</b>	-	260	260
Fundraising activities		-	200	<b>200</b>	-	-	-
		<b>1,516</b>	<b>39,201</b>	<b>40,717</b>	<b>486</b>	<b>41,559</b>	<b>42,045</b>
<b>Net income/(expenditure)</b>		<b>8,569</b>	<b>(13,381)</b>	<b>(4,812)</b>	<b>700</b>	<b>(10,727)</b>	<b>(10,027)</b>
Net gains/(losses) on investments		-	-	-	-	-	-
<b>Net movement in funds</b>		<b>8,569</b>	<b>(13,381)</b>	<b>(4,812)</b>	<b>700</b>	<b>(10,727)</b>	<b>(10,027)</b>
funds brought forward		700	207,703	<b>208,403</b>	-	218,430	218,430
<b>Total funds carried forward</b>		<b>9,269</b>	<b>194,322</b>	<b>203,591</b>	<b>700</b>	<b>207,703</b>	<b>208,403</b>
<b>Designation of funds</b>							
		<i>restricted</i>	<i>unrestricted</i>	<i>total</i>	<i>restricted</i>	<i>unrestricted</i>	<i>total</i>
Defibrillator project		221	-	<b>221</b>	700	-	700
Play Park project		947	-	<b>947</b>	-	-	-
covid-related projects		8,101	-	<b>8,101</b>	-	-	-
undesignated			194,322	<b>194,322</b>	-	207,703	<b>207,703</b>
		<b>9,269</b>	<b>194,322</b>	<b>203,591</b>	<b>700</b>	<b>207,703</b>	<b>208,403</b>

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## Balance Sheet as at 31 March 2021

	note	current year			prior year		
		restricted £	unrestricted £	total £	restricted £	unrestricted £	total £
<b>Fixed Assets</b>							
Investments	9	-	169,459	<b>169,459</b>	-	169,459	169,459
Other tangible assets	10	-	-	-	-	132	132
		<b>-</b>	<b>169,459</b>	<b>169,459</b>	<b>-</b>	<b>169,591</b>	<b>169,591</b>
<b>Current assets</b>							
Stocks		-	390	<b>390</b>	-	500	500
Debtors		-	-	-	-	1,306	1,306
Bank		9,269	24,473	<b>33,742</b>	700	37,146	37,846
		<b>9,269</b>	<b>24,863</b>	<b>34,132</b>	<b>700</b>	<b>38,952</b>	<b>39,652</b>
<b>Creditors &amp; accrued expenses</b> (falling due within 1 year)		-	-	-		(840)	(840)
<b>Net current assets</b>		<b>9,269</b>	<b>24,863</b>	<b>34,132</b>	<b>700</b>	<b>38,112</b>	<b>38,812</b>
<b>Net Assets and Total Funds</b>		<b>9,269</b>	<b>194,322</b>	<b>203,591</b>	<b>700</b>	<b>207,703</b>	<b>208,403</b>

The notes on pages 8 to 12 together with the statement of the structure of the company set out on page 4 form an integral part of these Financial Statements.

For the year under review the company was entitled to exemption from audit under s477 of the Companies Act 2006 and the members have not required such an audit under the provisions of s476.

**In approving these Financial Statements (as directors of the company) the director-trustees hereby confirm that:**

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 compliance with the director-trustees' obligations more particularly detailed on page 6

**These accounts were approved by the Board on 30 Dec 2021 and signed on its behalf by**



Marie-Luise MacDonald  
(chair)

# Acharacle Community Company

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## Notes to the Financial Statements for the year ended 31 March 2021

### 1 Accounting policies

These Financial Statements have been prepared under the historical cost convention with items recognised at cost or transaction value (unless otherwise stated in a relevant note to these accounts and in accordance the requirements of the Charities and Trustee Investment (Scotland) Act 2005; the Charities Accounts (Scotland) Regulations 2006 (as amended the Companies Act 2006 and the Statement of Recommended Practice (SORP) - Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014.

The directors, who are the trustees of the charity under charity law, consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

#### Income

is recognised when the charity becomes unconditionally entitled and the trustee-directors are confident that it will be received. Such income is treated as 'Restricted' and potentially as 'Designated' when the donor specifies performance conditions which must be met before the charity has unconditional entitlement.

#### Expenditure

is recognised when Expenditure is recognised when there is a legal or constructive obligation committing the charity to make a payment to a third party. All expenditure is accounted for on an accruals basis. The charity is not registered for VAT.

All expenses including support costs and governance costs are appropriately allocated to the various activities of the charity on the basis of a reasonable estimate of such costs if multiple purposes are involved.

Fundraising costs do not include the costs of disseminating general information in support of charitable activities. Governance costs include those costs necessary for the board to fulfil its constitutional and statutory obligations.

#### Tangible Fixed Assets - Investments

(which constitute Heritable Property) are carried at cost. The Director-Trustees do not consider that the value of the investments is so significantly different to book value as to justify the incurring of the expense of a professional valuation.

#### Tangible Fixed Assets - Other

are carried at cost less accumulated depreciation which is calculated on an asset-by-asset basis to spread the expenditure over the expected useful life of each asset.

Where appropriate this allows for the increased maintenance costs that are expected to be incurred over time.

#### Stock

consists of catering supplies and office consumables held at estimated cost.

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## Notes to the Financial Statements (continued)

	current year			prior year		
	restricted £	unrestricted £	total £	restricted £	unrestricted £	total £
<b>2 Donations, grants &amp; legacies</b>						
Donations	-	106	<b>106</b>	1,186	1,757	2,943
The National Lottery Community Fund	-	-	-	-	-	-
Covid-related grants	9,138	6,325	<b>15,463</b>	-	-	-
	<b>9,138</b>	<b>6,431</b>	<b>15,569</b>	<b>1,186</b>	<b>1,757</b>	<b>2,943</b>
<b>3 Resource-generating activities</b>						
Fundraising events	947	-	<b>947</b>	-	370	370
Room hire	-	2,210	<b>2,210</b>	-	9,270	9,270
Re-use Project	-	2,155	<b>2,155</b>	-	5,507	5,507
Catering	-	9,945	<b>9,945</b>	-	5,539	5,539
Other income	-	1,200	<b>1,200</b>	-	435	435
	<b>947</b>	<b>15,510</b>	<b>16,458</b>	<b>-</b>	<b>21,121</b>	<b>21,121</b>
<b>4 Investment Property rents (net)</b>						
UK property rents		6,865	<b>6,865</b>		9,332	9,332
less expenses		(2,986)	<b>(2,986)</b>		(1,378)	(1,378)
<i>Note: £540 facilities rent paid by Royal Mail has been removed and reclassified as room hire in both years</i>						
		<b>3,879</b>	<b>3,879</b>		<b>7,954</b>	<b>7,954</b>
<b>5 Costs of charitable activities</b>						
General & Community Centre	-	16,144	<b>16,144</b>	-	37,310	37,310
Defibrillator Project	479	-	<b>479</b>	486	-	486
Covid-related project expenditure	1,037	-	<b>1,037</b>	-	-	-
	<b>1,516</b>	<b>16,144</b>	<b>17,661</b>	<b>486</b>	<b>37,310</b>	<b>37,796</b>
<b>6 Administration &amp; Governance</b>						
Accountancy & Independent Examiner		1,192			1,020	
<i>Note: 2020/21 represents excess charges for the prior year</i>						
Administration & compliance		2,513			2,969	
		<b>3,705</b>			<b>3,989</b>	
<b>7 Net outgoings include:</b>						
Depreciation		132			133	
<b>8 Employees</b>						
Employment costs (net of £6,842 furlough)		<b>11,082</b>			<b>23,154</b>	
<i>Note: no employee received emoluments of more than £60,000 (prior year - none); the average number of employees (excluding the directors) was 3 (prior year 3).</i>						
<i>The Director-Trustees did not receive any remuneration, benefits in kind or reimbursement of expenses in their capacity as trustee during either year. No trustee received payment for professional or other services supplied to the charity.</i>						

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## Notes to the Financial Statements (continued) for the year ended 31 March 2021

	current year <i>unrestricted</i> £	prior year <i>unrestricted</i> £
<b>9 Tangible Fixed Assets - UK investment properties</b>		
<b>cost</b>		
brought forward	169,459	169,459
additions	-	-
	169,459	169,459

*Note: whilst these assets were originally acquired as Social Investments [as defined by Charities SORP (FRS 102)] their retention is now justified on purely financial grounds.*

## 10 Tangible Fixed Assets (other)

	Van £	Equipment £	total £	Van £	Equipment £	total £
<b>cost</b>						
brought forward	16,880	5,000	21,880	16,880	5,000	21,880
additions	-	-	-	-	-	-
eliminated on disposals	-	-	-	-	-	-
	16,880	5,000	21,880	16,880	5,000	21,880
<b>depreciation</b>						
brought forward	16,880	4,868	21,748	16,880	4,736	21,616
charge for year	-	132	132	-	132	132
eliminated on disposals	-	-	-	-	-	-
	16,880	5,000	21,880	16,880	4,868	21,748
<b>net book values</b>						
brought forward	-	132	132	-	265	265
<b>carried forward</b>	-	-	-	-	132	132

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## Notes to the Financial Statements (continued) for the year ended crossref1 31 March 2021

	current year			prior year		
	<i>restricted</i>	<i>unrestricted</i>	<i>total</i>	<i>restricted</i>	<i>unrestricted</i>	<i>total</i>
	£	£	£	£	£	£
<b>11 analysis of net assets between funds</b>						
Tangible Fixed Assets						
Heritable Property investments	-	169,459	<b>169,459</b>	-	169,459	169,459
Other assets	-	-	-	-	132	132
Current assets						
Stock	-	390	<b>390</b>	-	500	500
Debtors	-	-	-	-	1,306	1,306
Bank	9,269	24,473	<b>33,742</b>	700	37,146	37,846
Current liabilities						
Creditors & accrued expenses	-	-	-	-	(840)	(840)
Debtors						
Bank						
	<b>9,269</b>	<b>194,322</b>	<b>203,591</b>	700	207,703	208,403

### Designation of funds

	<i>restricted</i>	<i>unrestricted</i>	<i>total</i>	<i>restricted</i>	<i>unrestricted</i>	<i>total</i>
Defibrillator project	221	-	<b>221</b>	700	-	700
Play Park project	947	-	<b>947</b>	-	-	-
covid-related projects	8,101	-	<b>8,101</b>	-	-	-
undesignated		194,322	<b>194,322</b>	-	207,703	<b>207,703</b>
	<b>9,269</b>	<b>194,322</b>	<b>203,591</b>	700	207,703	208,403

### Designation and movement of restricted funds

	<i>c/f</i>	<i>spent</i>	<i>income</i>	<i>b/fwd</i>
Covid funding				
Grocery delivery project	5,148	-	5,148	
Connectivity project	2,953	(1,037)	3,990	
	8,101	(1,037)	9,138	
Defibrillator project	221	(479)		700
Play Park project	947		947	
	<b>9,269</b>	<b>(1,516)</b>	<b>10,085</b>	<b>700</b>

## 12 Related Party transactions

There were no related party transactions during the period (prior year - none) and no outstanding balances due to or by related parties at the year end (prior year - £nil).