



**Scott-Moncrieff**  
business advisers and accountants

**FORT AUGUSTUS & GLENMORISTON COMMUNITY COMPANY**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2018**

**COMPANY REGISTRATION NUMBER: SC327824**  
**CHARITY NUMBER: SC038513**

**FORT AUGUSTUS & GLENMORISTON COMMUNITY COMPANY**  
**OFFICERS AND ADVISORS**

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**Trustees:**

David J B Campbell	
Donald MacDonald	(Deceased 16 July 2017)
Phillip Di Duca	
Linda Whiteside	
Christina Mudditt	
Reay Mackay	(Resigned 24 August 2017, reappointed 5 December 2017)
Steven Smith	
Elizabeth Maceachen	
Kathryn Sharples	(Resigned 5 December 2017)
Dr Iain Farmer	
Helen M Clay	(Appointed 11 September 2017)
Julia Latif	(Appointed 5 December 2017)

**Secretary:** Macleod & MacCallum Limited

**Registered office:** 28 Queensgate  
Inverness  
IV1 1DJ

**Company number:** SC327824

**Scottish Charity Number:** SC038513

**Auditor:** Scott-Moncrieff  
10 Ardross Street  
Inverness  
IV3 5NS

**FORT AUGUSTUS & GLENMORISTON COMMUNITY COMPANY**

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## **FORT AUGUSTUS & GLENMORISTON COMMUNITY COMPANY**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2018**

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The trustee's present their report with the audited financial statements of the charitable company for the year ended 31 March 2018.

#### ***Objectives and activities***

Our objectives as laid out in our articles of association are as follows:

"To promote for the public benefit rural regeneration, following principles of sustainable development, where 'sustainable development' means development which meets the needs of the present without compromising the ability of future generations to meet their own needs, in areas of social and economic deprivation within the Community by all or any of the following means:

- (a) the relief of poverty in such ways as may be thought fit;
- (b) the relief of unemployment in such ways as may be thought fit, including assistance to find employment;
- (c) the advancement of education, training or retraining, particularly amongst unemployed people, and providing unemployed people with work experience;
- (d) the creation of training and employment opportunities by the provision of workspace, buildings and/or land for use on favourable terms;
- (e) the provision of housing for those who are in conditions of need and the improvement of housing in the public sector or in charitable ownership provided that such power shall not extend to relieving any local authorities or other bodies of a statutory duty to provide or improve housing;
- (f) the maintenance, improvement or provision of public amenities;
- (g) the preservation of buildings or sites of historic or architectural importance;
- (h) the provision or assistance in the provision of recreational facilities for the public at large and/or those who, by reasons of their youth, age, infirmity or disablement, poverty or social and economic circumstances, have need of such facilities;
- (i) the protection or conservation of the environment;
- (j) the provision of public health facilities and childcare."

It is easy to copy our objectives from our articles of association but as trustees of the company how do we turn these objectives into daily activities for the community of Fort Augustus & Glenmoriston. The main role we have been applying for our objectives is as a grant giving charity. We offer grants up to £10,000 to constituted groups under the six headings of: Education & Lifelong Learning, Health & Wellbeing, Heritage & Culture, Transport, Environment, and Regeneration & Housing. We also give out Educational Bursaries for Travel if young people from the community are in College or University they can have a maximum of four bursaries in total whilst studying. We have always offered large grants over £10,000 but up until this year we have never had any applications.

The charitable company also runs an apprenticeship scheme in conjunction with two neighbouring trusts to get young people into employment. We also look after the two communities of Fort Augustus & Glenmoriston via the Community Caretakers this is creating employment both seasonally and full time. The charitable company are custodians of the village hall in Fort Augustus and maintain and provide this for the use of individuals and organisations in the community.

During the year purchases were made with regards to the medical centre and work is ongoing to put contractors in place to begin the building of the medical centre which will be an important service to individuals in the community. In addition during the year a deposit was paid for the purchase of the land at the old convent with the view to build housing and business workshops.

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## **FORT AUGUSTUS & GLENMORISTON COMMUNITY COMPANY**

### **TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018**

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#### ***Achievements and Performance***

In this financial year we gave out £103,672 in grants to institutions along with £2,919 in Travel Bursary & Educational Grants to individuals. This is the largest amount we have given out in group grants for a considerable time and we are sure that this money will be well spent in the community and therefore ensuring better quality of life for the residents. In addition to the above a further grant to the village hall of £5,500 to cover the deficit created within the running of the hall and £8,673 for new heating and fire exit were transferred from the restricted funds in the year.

So which groups received grants this year, Kilchulmen Academy, West Glenmoriston Community Company, Fort Augustus & Glenmoriston Community Council, Glenmoriston Senior Citizens & Lunch Club, Fort Augustus Lunch Club, Fort Augustus Cricket Club, Kilchulmen Primary School, Fort Augustus Golf Club, Glenmoriston Childrens Committee, Fort Augustus Childrens Christmas Party, Fort Augustus Parent & Toddler Group, Regional Screen Machine.

We are the custodians of the village hall and we support the hall by giving it a grant of £5,500 per annum to clear its deficit. This year we also installed new air to air heating to cut down on the cost of the electric bills. We encourage as many people as possible to use the hall and a variety of community groups continue to use it. Unfortunately the rent we receive from them is not enough to cover the running costs, but we would be a poorer community if we did not have the hall so the board will continue to give a grant for the deficit for the foreseeable future.

The Community Caretakers have been very busy over the last year. Glen has been with us since May 2016 and we continue to see a vast improvement in a variety of areas in both the villages. The deep snow this winter saw the staff working endlessly to clear and grit pavements. We are continuing to grow the work of the community caretakers so if any member has new ideas do not hesitate to get in touch with either Glen or the board. In the autumn they will be working hard making accessible paths through the Old Convent Woods.

The Apprenticeships are doing well and we continued to have seven during the financial year and all are doing well in their chosen field. We spent a total of £71,447, of which £67,727 relates directly to the provision of apprenticeships. This financial year some of the money comes from the regional grant we received back in 2016 and £45,893 from our funds. However if we are encouraging young people to stay in the vicinity of the villages we really need to start to think how we can support them in gaining accommodation away from home. Some are getting a taster of this staying away whilst they are in college which is good for them. So in our plans for the future you will see how we are thinking about this accommodation in the Old Convent Land.

The slowness of the Medical Centre has continued to disappoint us, however this has been due to factors beyond our control and we needed to learn to be patient when dealing with such a large public body like the NHS. The positives though are we do have the tenders returned and post year-end we have awarded the build to Compass Building & Construction Services Ltd. We did however have to go and negotiate a lower price and try to make some cost savings that were acceptable to the NHS therefore the final contract sum is £810,767.20.

## **FORT AUGUSTUS & GLENMORISTON COMMUNITY COMPANY**

### **TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018**

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#### ***Financial Review***

The company had an overall income of £851,253 in this financial year, this is up by £449,005 compared to last year, mainly due to several large grants, two from the Scottish Land Fund totalling £275,000, one from the Scottish Government for £72,000 and one from the SSE Highland Sustainable Development Fund for £50,000. In addition to this a donation of £25,000 was received from the Cill Chuimein Medical Centre. This year we purchased 2 Bunoich Crescent at the cost of £120,000 and received a grant of £72,000 towards the cost of the flat. So on the 28th April 2017 the Community Company became a social landlord and we will generate income for the future generations as well as provide much needed accommodation in the community. We have put new affordable heating in at a cost of £10,000 but we applied for Renewable Heating Incentive which will give us back about 50% of the cost over 7 years.

Grants over £10,000 – up until now we have never had a grant application for more than £10,000 but this year we have had two. Firstly Kilchuimen Academy were awarded £22,000 towards a new minibus and training costs for Midas so that people within the community can take up the training and then be able to hire it for only £25 per day plus fuel for community group outings. During term time it will be available 1 day per week plus weekends if not being used by the school. The bus had not yet been delivered by the year end but it will be in the community by the AGM. The other large grant was to West Glenmoriston Community Company for £50,260 this was to help with the refurbishment of the Old Dalchreichart School to make it into a Community Hub and a Flat for social rent which will then enable the upkeep of the Hub. We have taken out a standard security on the property to safe guard the grant monies given and the Scottish Government were happy to take second ranking as we had granted the higher amount of money.

We have applied to the Scottish Land Fund for a second time to enable us to purchase the 19 acres of Old Convent Land in Fort Augustus which we had a Community Right to Buy on. The grant was for £202,000 which is £180,000 to enable 90% of the land purchase, £7,000 for legal fees and £15,000 for design and costing of the land to show where we may build some housing and business workshops. We were successful in securing the grant and the purchase was concluded on the 4th April 2018 with a buying price of £200,000.

#### **Principal risks and uncertainties**

The trustees have identified the main risks facing the charitable company as the lack of trustees and loss of the Chairperson who is integral to the workings of the charitable company.

These risks are being mitigated by succession planning which is currently being put in place including the future implementation of a community action plan, succession planning for trustees and the appointment of a chief officer which will allow the board to be more strategic and less hands on.

#### **Reserves policy**

The board of trustees aim to put aside £140,000 which is deemed to be 6 months running costs.

The charitable company had funds of £1,487,502 at 31 March 2018, including unrestricted reserves of £8,953 and designated reserves of £363,797. The remaining reserves of £1,114,752 are restricted and therefore not available for the general purposes of the charity.

Of the unrestricted reserves all of the £8,953 is regarded as free reserves while of the designated reserves £179,224 is regarded as free reserves, after allowing for funds tied up in tangible fixed assets, investments and the commitment to purchase the Old Convent Land after the year end. The free reserves held at 31 March 2018 meet the Trust's reserve policy and the trustees consider that the financial position of the Trust is sound and in a position to meet the expenditure planned for the year ahead.

## **FORT AUGUSTUS & GLENMORISTON COMMUNITY COMPANY**

### **TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018**

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#### **Going concern**

The charitable company has sufficient financial resources. As a consequence, the Board members believe that the charitable company is well placed to manage its business risks successfully.

The board members have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

#### ***Plans for future periods***

The medical centre is our priority to get built over the next 9 months and ensure that all grants received will be able to be accessed so we are pushing forward as hard as we possibly can. We have however had to draw down money from SSE (£220,000) and Falck (£50,000) due to the cost of the tender. With the requirements from the NHS the cost of the build has increased far more than what we envisaged it would be, but we felt it was a service the community needed and when complete it will be an asset of substantial value and will increase our balance sheet by over £1 million. The handover date for the medical centre should be no later than the end of March 2019 and we have secured the 15 year lease with the NHS.

On the 16th July 2017 we lost our trustee and dear friend Donald John MacDonald who passed away suddenly. Johnny as he was known to our community has always had an active role within the community for the last 50 plus years this has been in a variety of groups, from Shinty and the Community Council to being our treasurer and for this reason the trustees wish to honour Johnny by dedicating the Resource Room in the new medical centre in his name.

We will also take forward the design plan for the Old Convent Land which the Scottish Land Fund have given us a grant for and this will enable us to develop the business units we have included in the business plan along with some much needed housing for young and elderly alike. We will also require to have a 5 year land management plan for the woodland and surrounding fields.

In January we started a Community Action Plan with Star Development and created a steering group from the community to drive the plan forward. It has been a success in getting a large response from the communities and highlighting what the community see as priorities. What has become apparent is that we as a company cannot take on further projects whilst carrying out the medical centre and progressing the Old Convent Land with just a voluntary board of trustees. The trustees have therefore taken the decision that we need to employ a Chief Officer to run the company on our behalf due to the large amount of work we are doing, from the capital projects, the apprentices and the community caretakers. We are intending to apply to BESCi for a grant from the Blenniun wind farm for 2/3rds of the salary. This will allow growth of the company and regeneration for the community by aiding groups to take forward projects within the community action plan by helping them to submit grant applications.

The Apprenticeship scheme is going from strength to strength as is the community caretakers and their list on how we can improve the community continues to get longer but we must take time to thank Glen Campbell and his staff for the hard work they put into the community to ensure it is a pleasant place for visitors and residents to stay.

#### ***Structure, Governance and Management***

##### **Structure**

The charitable company is constituted as a company limited by guarantee and is governed in accordance with its Memorandum and Articles of Association.

## **FORT AUGUSTUS & GLENMORISTON COMMUNITY COMPANY**

### **TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018**

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#### **Governance**

The trustees are responsible for the running and decision making of the charitable company. The trustees meet on a regular basis throughout the year to make strategic decisions and to approve the awarding of grants.

The apprenticeship scheme awards are reviewed and awarded by the Apprenticeship Panel which comprises of 3 trustees from each of the following organisations: Fort Augustus and Glenmoriston Community Company, The Glengarry Trust and Stratherick and Foyers Community Trust.

The day to day running of the charity is performed by the Chairperson Linda Whiteside with the assistance of the book keeper and administrator. Neither the book keeper nor the administrator have any decision making responsibilities and are therefore not deemed key management personnel.

Trustees are recruited from the membership of the Fort Augustus & Glenmoriston Community Company and occasionally co-opted if there is a vacancy between the AGM. All trustees undertake charity compliance training and are aware of their obligations and responsibilities in that regard.

#### **Trustees**

The Trustees who served the charitable company during the year and up to the date the financial statements were approved were as follows:

David J B Campbell	
Donald MacDonald	(Deceased 16 July 2017)
Phillip Di Duca	
Linda Whiteside	
Christina Mudditt	
Reay Mackay	(Resigned 24 August 2017, reappointed 5 December 2017)
Steven Smith	
Elizabeth Maceachen	
Kathryn Sharples	(Resigned 5 December 2017)
Dr Iain Farmer	
Helen M Clay	(Appointed 11 September 2017)
Julia Latif	(Appointed 5 December 2017)

#### ***Reference and administrative details***

The above details are contained within the officers and advisors section of the financial statements.



**FORT AUGUSTUS & GLENMORISTON COMMUNITY COMPANY**

**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2018**

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**Statement of Trustees' responsibilities**

The trustees (who are also directors of Fort Augustus & Glenmoriston Community Company for the purpose of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees 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 income and expenditure of the charitable company for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity 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 financial statements, and;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended). 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 trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**Disclosure of information to the auditor**

As far as each of the trustees at the time the report is approved are aware:

- a) there is no relevant information of which the charitable company's auditor is unaware; and
- b) the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of the information.


**Auditor**

Scott-Moncrieff were appointed as auditor in February 2018. Scott-Moncrieff are deemed to be re-appointed in accordance with Section 487(2) of the Companies Act 2006.

**Small company provisions**

This report has been prepared in accordance with the special provisions of small companies under part 15 of the Companies Act 2006.

Approved by order of the board of trustees on 1st October 2018 and signed on its behalf by:

  
.....  
Phillip Di-Duca - Trustee

**FORT AUGUSTUS & GLENMORISTON COMMUNITY COMPANY**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF FORT  
AUGUSTUS & GLENMORISTON COMMUNITY COMPANY**

**FOR THE YEAR ENDED 31 MARCH 2018**

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**Opinion**

We have audited the financial statements of Fort Augustus & Glenmoriston Community Company (the charitable company) for the year ended 31 March 2018 which comprise the Statement of Financial Activities (Incorporating the Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2018 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**FORT AUGUSTUS & GLENMORISTON COMMUNITY COMPANY**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF FORT  
AUGUSTUS & GLENMORISTON COMMUNITY COMPANY (Continued)**

**FOR THE YEAR ENDED 31 MARCH 2018**

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**Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the Trustees' Report and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report.

**FORT AUGUSTUS & GLENMORISTON COMMUNITY COMPANY**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF FORT  
AUGUSTUS & GLENMORISTON COMMUNITY COMPANY (Continued)**

**FOR THE YEAR ENDED 31 MARCH 2018**

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**Responsibilities of the trustees**

As explained more fully in the trustees' responsibilities statement set out on page 6, the trustees (who are the directors for the purposes of company law and trustees for the purposes of charity law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Our audit work has been undertaken so that we might state to the charitable company's members, as a body, and the charitable company's trustees, as a body, those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members, as a body, and the charitable company's trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

*Scott-Moncrieff*

**Allison Gibson, Senior Statutory Auditor**

**For and on behalf of**

**Scott-Moncrieff, Statutory Auditor**

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

Chartered Accountants

10 Ardross Street

Inverness

IV3 5NS

Date: *8 October 2018*

**FORT AUGUSTUS & GLENMORISTON COMMUNITY COMPANY**

**STATEMENT OF FINANCIAL ACTIVITIES  
(INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 MARCH 2018**

	Note	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2018 £	Total Funds 2017 £
<b>Income and endowments from:</b>						
Donations and legacies	5	-	-	25,205	25,205	2,049
Charitable activities	6	5,631	460	813,229	819,320	391,560
Investments	7	-	5,479	-	5,479	3,182
Other	8	999	-	250	1,249	5,457
<b>Total</b>		<u>6,630</u>	<u>5,939</u>	<u>838,684</u>	<u>851,253</u>	<u>402,248</u>
<b>Expenditure on:</b>						
Charitable activities	9	<u>(37,885)</u>	<u>(2,159)</u>	<u>(281,185)</u>	<u>(321,229)</u>	<u>(215,127)</u>
<b>Net income/(expenditure)</b>		<b>(31,255)</b>	<b>3,780</b>	<b>557,499</b>	<b>530,024</b>	<b>187,121</b>
<b>Transfers between funds</b>	22	<u>39,676</u>	<u>72,000</u>	<u>(111,676)</u>	<u>-</u>	<u>-</u>
<b>Net movement in funds</b>		<b>8,421</b>	<b>75,780</b>	<b>445,823</b>	<b>530,024</b>	<b>187,121</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward	21	<u>532</u>	<u>288,017</u>	<u>668,929</u>	<u>957,478</u>	<u>770,357</u>
<b>Total funds carried forward</b>	21	<u><u>8,953</u></u>	<u><u>363,797</u></u>	<u><u>1,114,752</u></u>	<u><u>1,487,502</u></u>	<u><u>957,478</u></u>

The company has no recognised gains or losses other than the results for the current and previous year as set out above.

All of the activities of the company are classed as continuing.

The notes on pages 13 to 26 form part of these financial statements.

**FORT AUGUSTUS & GLENMORISTON COMMUNITY COMPANY**

**BALANCE SHEET  
AS AT 31 MARCH 2018**

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Tangible assets	14	378,000	233,265
Investment property	15	131,122	-
Investments	16	53,451	104,574
		<u>562,573</u>	<u>337,839</u>
<b>Current assets</b>			
Debtors	17	332,549	75,982
Cash at bank and in hand		664,314	575,127
		<u>996,863</u>	<u>651,109</u>
<b>Creditors: amounts falling due within one year</b>	18	(71,934)	(31,470)
<b>Net current assets</b>		<u>924,929</u>	<u>619,639</u>
<b>Net assets</b>		<u>1,487,502</u>	<u>957,478</u>
<b>Funds</b>			
Unrestricted funds	21	8,953	532
Designated fund	21	363,797	288,017
Total unrestricted funds		<u>372,750</u>	<u>288,549</u>
Restricted funds	21	1,114,752	668,929
	20, 21	<u>1,487,502</u>	<u>957,478</u>

The financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

The financial statements were authorised for issue by the Board on 15<sup>th</sup> Oct 2018 and are signed on its behalf by:



Phillip Di-Duca - Trustee

Company registration number: SC327824  
Charity number: SC038513

The notes on pages 13 to 26 form part of these financial statements.

**FORT AUGUSTUS & GLENMORISTON COMMUNITY COMPANY**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2018**

	2018 £	2017 £
<b>Cash flows from operating activities</b>		
Net income for the year	530,024	187,121
Depreciation	7,392	7,205
(Gain) on fixed assets investments	(1,966)	(2,675)
Movement in debtors	(256,567)	(1,963)
Movement in creditors	40,464	8,232
	<u>319,347</u>	<u>197,920</u>
<b>Net cash provided by operating activities</b>		
<b>Cash flows from investing activities</b>		
Payment to acquire tangible fixed assets	(283,249)	(3,536)
Proceeds from sale of investment	53,089	-
	<u>(230,160)</u>	<u>(3,536)</u>
<b>Net cash used in investing activities</b>		
<b>Increase in cash in the year</b>	89,187	194,384
Cash and cash equivalents at 1 April	575,127	380,743
	<u>664,314</u>	<u>575,127</u>
<b>Cash and cash equivalents at 31 March</b>		
<b>Cash and cash equivalents consist of:</b>		
Cash at bank and in hand	<u>664,314</u>	<u>575,127</u>

The notes on pages 13 to 26 form part of these financial statements.

## **FORT AUGUSTUS & GLENMORISTON COMMUNITY COMPANY**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018**

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#### **1. General information**

These financial statements are presented in pounds sterling (GBP) as that is the currency in which the charitable company's transactions are denominated. They comprise the financial statements of Fort Augustus & Glenmoriston Community Company.

The principal activity of Fort Augustus & Glenmoriston Community Company is to promote for the public benefit rural regeneration.

Fort Augustus & Glenmoriston Community Company is a charitable company limited by guarantee incorporated in the United Kingdom and registered in Scotland. It is recognised as a charity for tax purposes by HMRC and is registered with the Office of the Scottish Charity Regulator (OSCR) under charity number SC038513. In the event of the winding up of the charitable company a member is liable to contribute a sum not exceeding £1. Details of the registered office and company registration number are contained within the officers and advisors section of the financial statements.

#### **2. Accounting policies**

##### **Basis of preparation**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ("FRS 102") (United Kingdom Generally Accepted Accounting Practice), 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)', the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

Fort Augustus & Glenmoriston Community Company meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost unless otherwise stated in the relevant accounting policy.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires trustees to exercise their judgement in the process of applying the accounting policies. Use of available information and application of judgement are inherent in the formation of estimates. Actual outcomes in the future could differ from such estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

The principal accounting policies applied in the preparation of these financial statements are noted below. These policies have been applied consistently to all the years presented in dealing with items which are considered material in relation to the charitable company's financial statements unless otherwise stated.

##### **Going Concern**

The charitable company had an overall surplus of £530,024 (2017 - £187,121) during the year ended 31 March 2018. At the 31 March 2018 overall the net current assets and net assets had a surplus of £924,929 (2017 - £619,639) and £1,487,502 (2017 - £957,478) respectively.

The trustees consider that they have secured sufficient funding for the year ahead to continue to operate as a going concern.



**FORT AUGUSTUS & GLENMORISTON COMMUNITY COMPANY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

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**2. Accounting policies (continued)**

**Income recognition**

Income is included in the Statement of Financial Activities when the charity is entitled to the income, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- Donations are recognised and included in the Statement of Financial Activities when the company has control over the donation, any conditions associated with the donation have been met, the receipt of economic benefit is probable and the economic benefit can be measured reliably.
- Revenue grants are credited to the Statement of Financial Activities in the period that conditions for receipt have been complied with, the company is entitled to the grant, it is probable that the income will be received, and the amount can be measured reliably.
- Income from charitable activities is accounted for when earned.
- Other income is recognised when receivable and the amount can be measured reliably by the charitable company.
- Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest payable by the bank.

**Expenditure recognition**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

*Charitable activities expenditure*

Charitable expenditure comprises costs incurred by the charity in the delivery of its activities and services to beneficiaries.

*Governance costs*

Governance costs include those costs associated with meeting the constitutional requirements of the company and include the audit fees and costs linked to the strategic management of the company.

*Support costs*

Support costs comprises all costs incurred in running the charity which cannot be directly allocated to the charity's projects or to fund raising. Support costs have been allocated to activities on the basis of the amount of the cost incurred relating to that activity.

**Employee benefits**

Employee benefits are recognised in the period the employee's services are delivered.

**FORT AUGUSTUS & GLENMORISTON COMMUNITY COMPANY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

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**2. Accounting policies (continued)**

**Fund accounting**

Unrestricted funds are funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Designated funds are 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 note 21 to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund.

**Tangible fixed assets**

Tangible fixed assets are stated at historical cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is provided at the following annual rates in order to write off the cost of each asset, less its estimated residual value, over its estimated useful economic life on the following basis :-

Heritable property	- 2% on cost
Land	- Not depreciated
Assets under construction	- Not depreciated
Fixtures, fittings and equipment	- 10% on cost

At each year end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss.

**Assets under construction**

Tangible assets in relation to the development of the medical centre are measured at cost. Once the project to build the medical centre has been completed a depreciation policy will be considered and applied.

**Investment property**

Investment property is carried at fair value determined annually by the trustees and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of Financial Activities.

**Investments**

Investments are shown in the balance sheet at market value. Provision is made for any anticipated permanent diminution in value. Gains and losses on re-measurement are recognised in the Statement of Financial Activities for the period.

**Debtors**

Short term debtors are measured at transaction price, less any impairment.

**Cash and cash equivalents**

Cash at bank and in hand includes cash and short term highly liquid deposits with a short maturity of twelve months or less from the date of opening of the deposit or similar account.

**FORT AUGUSTUS & GLENMORISTON COMMUNITY COMPANY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

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**2. Accounting policies (continued)**

**Creditors**

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

**Taxation**

The company is a charity and is recognised as such by HM Revenue and Customs for taxation purposes. As a result there is no liability to taxation on any of its income.

**Financial Instruments**

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors. Debt instruments (other than those wholly repayable or receivable within one year) are initially measured at the present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received.

However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Financial Activities.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an 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.

Financial assets are derecognised when the contractual rights to the cashflows from the asset expire, or when the charity has transferred substantially all the risks and rewards of ownership.

Financial liabilities are derecognised only once the liability has been extinguished through discharge, cancellation or expiry.

**FORT AUGUSTUS & GLENMORISTON COMMUNITY COMPANY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

**3. Judgements in applying policies and key sources of estimation uncertainty**

In preparing the financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets and liabilities. Use of available information and application of judgement are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

The trustees are satisfied that the accounting policies are appropriate and applied consistently. Key sources of estimation have been applied to the depreciation rates and accruals. The estimate of accruals is deemed to be appropriate due to the management's understanding of liabilities at the year end. The depreciation rates are deemed to be appropriate based on the expected useful lives for each class of asset.

**4. Comparative Statement of Financial Activities**

	<i>Unrestricted Funds</i>	<i>Designated Funds</i>	<i>Restricted Funds</i>	<i>Total Funds 2017</i>
	£	£	£	£
<b>Income and endowments from:</b>				
Donations and legacies	2,049	-	-	2,049
Charitable activities	5,000	-	386,560	391,560
Investments	-	3,182	-	3,182
Other income	5,457	-	-	5,457
<b>Total Income</b>	<u>12,506</u>	<u>3,182</u>	<u>386,560</u>	<u>402,248</u>
<b>Expenditure on:</b>				
Charitable activities	<u>(31,552)</u>	<u>-</u>	<u>(183,575)</u>	<u>(215,127)</u>
<b>Net Income/(expenditure)</b>	<u>(19,046)</u>	<u>3,182</u>	<u>202,985</u>	<u>187,121</u>
Transfer between funds	<u>19,578</u>	<u>71,450</u>	<u>(91,028)</u>	<u>-</u>
<b>Net movement in funds</b>	<u>532</u>	<u>74,632</u>	<u>111,957</u>	<u>187,121</u>
<b>RECONCILIATION OF FUNDS</b>				
<b>Total funds brought forward</b>	<u>-</u>	<u>213,385</u>	<u>556,972</u>	<u>770,357</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u><u>532</u></u>	<u><u>288,017</u></u>	<u><u>668,929</u></u>	<u><u>957,478</u></u>

	<b>Unrestricted Funds</b>	<b>Designated Funds</b>	<b>Restricted Funds</b>	<b>Total Funds 2018</b>	<b>Total Funds 2017</b>
	£	£	£	£	£
<b>5. Donations and legacies Income</b>					
Donations	<u>-</u>	<u>-</u>	<u>25,205</u>	<u>25,205</u>	<u>2,049</u>

**FORT AUGUSTUS & GLENMORISTON COMMUNITY COMPANY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2018 £	Total Funds 2017 £
<b>6. Charitable activities Income</b>					
Millennium Wind Farm (Falck)	-	-	74,265	74,265	66,932
SSE Glendoe	-	-	76,241	76,241	74,315
SSE Blairaldh	-	-	221,820	221,820	216,000
Highland Energy	-	-	5,308	5,308	5,110
Community Challenge Service Level Agreement	-	-	26,595	26,595	25,479
Community Housing	-	460	-	460	-
Scottish Land Fund	-	-	275,000	275,000	3,724
Scottish Government (RHF)	-	-	72,000	72,000	-
HIE	-	-	2,000	2,000	-
SSE Highland Sustainable Development Fund	-	-	50,000	50,000	-
Glengarry Trust	-	-	10,000	10,000	-
Rental income village hall	5,631	-	-	5,631	-
	<u>5,631</u>	<u>460</u>	<u>813,229</u>	<u>819,320</u>	<u>391,560</u>
<b>7. Investment income</b>					
Interest capitalisation (gain)	-	696	-	696	2,675
Bank interest	-	1,270	-	1,270	507
Rental income investment property	-	3,513	-	3,513	-
	<u>-</u>	<u>5,479</u>	<u>-</u>	<u>5,479</u>	<u>3,182</u>
<b>8. Other income</b>					
Rental income	-	-	-	-	5,457
Solar income	999	-	-	999	-
Admin charge	-	-	250	250	-
	<u>999</u>	<u>-</u>	<u>250</u>	<u>1,249</u>	<u>5,457</u>

**FORT AUGUSTUS & GLENMORISTON COMMUNITY COMPANY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2018 £	Total Funds 2017 (Restated) £
<b>9. Charitable activities Expenditure</b>					
Awarding grants (note 10)	6,346	-	118,591	124,937	38,810
Apprenticeships	3,720	-	67,727	71,447	73,086
Community Caretaker	3,219	-	83,635	86,854	72,955
Village hall – operations	13,403	-	-	13,403	14,155
Village hall – property	-	-	11,132	11,132	7,630
Medical centre	-	-	100	100	3,775
Community housing	-	2,159	-	2,159	-
Governance costs (note 11)	11,197	-	-	11,197	4,716
	<u>37,885</u>	<u>2,159</u>	<u>281,185</u>	<u>321,229</u>	<u>215,127</u>

	Awarded to Individuals £	Awarded to Institutions £	Total Awarded 2018 £	Total Awarded 2017 £
<b>10. Grants awarded</b>				
Education and lifelong learning	379	-	379	1,200
Transport	-	22,000	22,000	2,450
Health & wellbeing	600	5,835	6,435	18,640
Heritage & culture	-	8,120	8,120	10,297
Travel bursary	1,940	-	1,940	-
Community benefit	-	67,717	67,717	-
	<u>2,919</u>	<u>103,672</u>	<u>106,591</u>	<u>32,587</u>
Other costs related to awarding grants			18,346	6,223
			<u>124,937</u>	<u>38,810</u>

Details of all grants awarded during the year are available on the Awards page of the charitable company's website [www.communitycompany.co.uk](http://www.communitycompany.co.uk).

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2018 £	Total Funds 2017 (Restated) £
<b>11. Governance costs</b>					
Governance costs	11,197	-	-	11,197	4,716
	<u>11,197</u>	<u>-</u>	<u>-</u>	<u>11,197</u>	<u>4,716</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

12. Support costs	Awarding Grants		Apprenticeships		Community Caretaker		Village hall – operations		2018 Total		2017 Total (Restated)		Basis of allocation
	£	£	£	£	£	£	£	£	£	£	£	£	
Charitable expenditure	63		62		62		62		249		144		Evenly across all activities
Community event costs	31		32		32		32		127		1,455		Evenly across all activities
Rent	25		25		25		26		101		152		Evenly across all activities
Insurance	150		150		150		150		600		250		Evenly across all activities
Printing	281		93		93		93		560		1,015		50% Awarding grants remainder split evenly
Postage and Carriage	127		14		14		14		169		567		75% Awarding grants remainder split evenly
Office stationery PR (literature & brochures)	141		16		16		16		189		268		75% Awarding grants remainder split evenly
Telephone, fax and internet Computer and software	501		501		501		-		1,002		280		Evenly across all activities
	188		188		188		187		750		62		50% Awarding grants and Apprentices
Administration costs	4,384		2,258		2,258		4,384		13,284		11,600		Evenly across all activities 1/3 <sup>rd</sup> each to Awarding grants and Village hall remainder split evenly
Admin – mileage	157		81		81		157		476		570		Village hall remainder split evenly
Meeting costs	24		24		25		25		98		74		Evenly across all activities
Repairs & renewals	24		25		25		25		99		-		Evenly across all activities
General expenses	55		56		56		56		223		349		Evenly across all activities
Professional fees	76		76		75		75		302		681		Evenly across all activities
Bank charges	(12)		(12)		(13)		(13)		(50)		-		Evenly across all activities
Donations	62		62		63		63		250		200		Evenly across all activities
Training costs	19		19		20		20		78		201		Evenly across all activities
<b>Total</b>	<b>6,346</b>		<b>3,720</b>		<b>3,219</b>		<b>5,422</b>		<b>18,707</b>		<b>17,868</b>		

The support costs have been allocated across activities on the basis of the amount of the cost incurred relating to each activity. No support costs have been allocated to the Village hall - property, Medical centre or community housing activities as, due to the stage of completion and the management of these activities, all of the costs relating to these activities are included within the direct costs attributed to these activities in note 9 above.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

<b>13. Payroll costs</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
The aggregate payroll costs were:		
Wages and salaries	61,079	52,512
Employer's NI	1,542	56
Pension costs	2,168	-
	<u>64,789</u>	<u>52,568</u>

**Particulars of employees**

	<b>2018</b>	<b>2017</b>
	<b>No.</b>	<b>No.</b>
The average number of staff remunerated by the charitable company during the financial year amounted to:		
Caretaker staff	<u>4</u>	<u>4</u>

The trustees of the company are deemed to be the key management personnel.

No trustees were in receipt of remuneration or expenses paid on their behalf from the charitable company during the current or previous year. Two trustees were reimbursed for expenses totalling £400 (2017 – one trustee £157) during the year.

During the year no employees earned more than £60,000 (2017 - none).



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

14. Fixed assets	Heritable property £	Land £	Assets under construction £	Fixtures, fittings and equipment £	Total £
<b>Cost</b>					
As at 1 April 2017	242,044	-	-	20,180	262,224
Additions	4,785	3,417	137,395	6,530	152,127
As at 31 March 2018	<u>246,829</u>	<u>3,417</u>	<u>137,395</u>	<u>26,710</u>	<u>414,351</u>
<b>Depreciation</b>					
As at 1 April 2017	22,086	-	-	6,873	28,959
Charge in the year	4,897	-	-	2,495	7,392
As at 31 March 2018	<u>26,983</u>	<u>-</u>	<u>-</u>	<u>9,368</u>	<u>36,351</u>
Net book value as at 31 March 2018	<u>219,846</u>	<u>3,417</u>	<u>137,395</u>	<u>17,342</u>	<u>378,000</u>
Net book value as at 31 March 2017	<u>219,958</u>	<u>-</u>	<u>-</u>	<u>13,307</u>	<u>233,265</u>

15. Investment property	Freehold Investment Property £
<b>Valuation</b>	£
At 1 April 2017	-
Additions	131,122
<b>At 31 March 2018</b>	<u>131,122</u>

Investment property was purchased at market value in April 2017. The trustees are of the opinion that this represents the fair value of the investment property at 31 March 2018.

16. Investments	31 March 2018 £	31 March 2017 £
Market value at 1 April 2017	104,574	101,899
Interest capitalisation	696	2,675
Release of investment	(51,819)	-
Market value at 31 March 2018	<u>53,451</u>	<u>104,574</u>

The above relates to £53,451 (2017 - £52,755) invested with Shawbrook and £nil (2017 - £51,819) with Clydesdale Bank. The historical cost of these investments is £50,000 (2017 - £100,000). There were no investment assets held outside of the UK. During the year the investment bond with Clydesdale Bank was realised and the funds released which were then used to purchase the investment property.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

17. Debtors	2018 £	2017 £
Trade debtors	3,042	1,207
Other debtors	322,714	71,699
VAT	4,441	1,151
Prepayments	2,352	1,925
	<u>332,549</u>	<u>75,982</u>
	2018 £	2017 £
18. Creditors: amounts falling due within one year		
Trade creditors	2,800	1,559
Other creditors	4,293	10,000
Social security and other taxes	952	490
Accruals	63,889	19,421
	<u>71,934</u>	<u>31,470</u>

**Security**

The Scottish Ministers hold security over 2 Bunoich Crescent, Fort Augustus.

19. Operating lease commitments	2018 £	2017 £
At 31 March 2018 the company had future minimum lease payments under non-cancellable operating leases as follows:		
Not later than 1 year	5,009	2,498
Later than 1 year and not later than 5 years	9,182	-
	<u>14,191</u>	<u>2,498</u>

20. Analysis of net assets between funds	Investments £	Fixed assets £	Other Net current assets £	Total 2018 £
Unrestricted funds	-	-	8,953	8,953
Designated funds	53,451	131,122	179,224	363,797
Restricted funds	-	378,000	736,752	1,114,752
	<u>53,451</u>	<u>509,122</u>	<u>924,929</u>	<u>1,487,502</u>
	Investments £	Fixed assets £	Other Net current assets £	Total 2017 £
Unrestricted funds	-	-	532	532
Designated funds	104,574	-	183,443	288,017
Restricted funds	-	233,265	435,664	668,929
	<u>104,574</u>	<u>233,265</u>	<u>619,639</u>	<u>957,478</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

21. Funds	As at 31 March 2017	Income	Expenditure	Transfers	As at 31 March 2018
	£	£	£	£	£
<b>Unrestricted funds:</b>					
General fund	532	6,630	(37,885)	39,676	8,953
Designated – community legacy fund	288,017	1,966	-	-	289,983
Designated – community housing	-	3,973	(2,159)	72,000	73,814
	<u>288,549</u>	<u>12,569</u>	<u>(40,044)</u>	<u>111,676</u>	<u>372,750</u>
<b>Restricted funds:</b>					
Millennium Wind Energy Limited	199,822	74,265	(25,312)	(30,916)	217,859
SSE Glendoe Community Benefit Fund	186,377	76,241	(25,313)	(30,916)	206,389
SSE Blairaidh Community Benefit Fund	83,974	221,820	(67,066)	(92,745)	145,983
Highland Energy	5,110	5,308	(900)	-	9,518
Village Hall Fund	145,215	-	(11,132)	8,673	142,756
Apprenticeships Scheme	37,061	250	(67,727)	45,893	15,477
Land Project	1,421	182,000	-	-	183,421
Community Housing	-	72,000	-	(72,000)	-
Community Caretaker	10,000	26,800	(83,635)	60,335	13,500
Medical Centre	(51)	180,000	(100)	-	179,849
	<u>668,929</u>	<u>838,684</u>	<u>(281,185)</u>	<u>(111,676)</u>	<u>1,114,752</u>
<b>Total funds</b>	<u>957,478</u>	<u>851,253</u>	<u>(321,229)</u>	<u>-</u>	<u>1,487,502</u>
	<b>As at 31 March 2016</b>	<b>Income</b>	<b>Expenditure</b>	<b>Transfers</b>	<b>As at 31 March 2017</b>
	£	£	£	£	£
<b>Unrestricted funds:</b>					
General fund	-	12,506	(31,552)	19,578	532
Designated – community legacy fund	213,385	3,182	-	71,450	288,017
	<u>213,385</u>	<u>15,688</u>	<u>(31,552)</u>	<u>91,028</u>	<u>288,549</u>
<b>Restricted funds:</b>					
Millennium Wind Energy Limited	177,064	65,932	(5,382)	(37,792)	199,822
SSE Glendoe Community Benefit Fund	160,083	73,315	(9,229)	(37,792)	186,377
SSE Blairaidh Community Benefit Fund	-	213,000	(15,651)	(113,375)	83,974
Highland Energy	-	5,110	-	-	5,110
Village Hall Fund	152,845	-	(7,630)	-	145,215
Heritage Fund	2,325	-	(2,325)	-	-
Apprenticeships Scheme	63,234	-	(69,787)	43,614	37,061
Land Project	1,421	-	-	-	1,421
Community Caretaker	-	25,479	(69,796)	54,317	10,000
Medical Centre	-	3,724	(3,775)	-	(51)
	<u>556,972</u>	<u>386,560</u>	<u>(183,575)</u>	<u>(91,028)</u>	<u>668,929</u>
<b>Total funds</b>	<u>770,357</u>	<u>402,248</u>	<u>(215,127)</u>	<u>-</u>	<u>957,478</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

**21. Funds (continued)**

<b>Name of Fund</b>	<b>Description, nature and purposes of the fund</b>
<b><u>Unrestricted funds</u></b>	
<b>General</b>	Funds available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.
<b>Designated – community legacy fund</b>	The trustees have designated funds from Millennium Wind Energy, SSE Blairaidh Community Benefit Fund, and SSE Glendoe Community Benefit Fund restricted funds on the basis that all restrictions have been met. This fund is to provide a long term benefit to the community after the 25 year arrangement has expired.
<b>Designated – community housing</b>	The trustees have designated funds from The Scottish Ministers of £72,000 which were awarded to the charitable company to assist in the purchase of the community housing property. As the original restrictions relating to this grant have been met these funds have now been designated along with any funds generated by the property to use against further costs relating to the property.
<b><u>Restricted funds</u></b>	
<b>Millennium Wind Energy, SSE Glendoe, SSE Blairaidh and Highland Energy</b>	The Millennium Wind Energy, SSE Glendoe Community Benefit, SSE Blairaidh Community Benefit and Highland Energy funds are for the benefit of the Fort Augustus and Glenmoriston communities.
<b>Village Hall</b>	The Village Hall Fund relates to funds for the building of the extension at the village hall.
<b>Apprenticeship Schemes</b>	The Apprenticeship Scheme is available for the trustees to fund 2/3 apprenticeships per annum for the foreseeable future.
<b>Land Project</b>	The Land Project fund relates to the old convent wood & land which the trustees pursued under the Scottish Governments Community Right To Buy and for which a deposit was paid during the year.
<b>Community Caretaker</b>	The trustees have agreed to fund the community caretaker scheme up to £65,000 per annum to better enhance the area which will increase tourism and bring benefits to encourage families to settle in the area. Most importantly it will make the villages more enjoyable to live in.
<b>Medical Centre</b>	The Medical Centre Fund relates to funds raised and expenses incurred in relation to the rebuilding of the Kilchuimen Medical Centre.

**22. Transfers**

The transfers from the Millennium Wind Energy, SSE Glendoe Community Benefit and SSE Blairaidh Community Benefit funds relate to the following: £45,893 (2017 - £43,614) to fund the Apprenticeship scheme, £60,335 (2017 - £54,317) to fund the Community Caretaker Project, £39,676 (2017 - £19,578) transferred to unrestricted funds as a contribution towards the running costs of the charity and £8,673 (2017 - £nil) to the Village Hall fund for the installation of a new heating system and fire exit.

Restricted income received of £72,000 for the purchase of the community housing property was initially recorded in the Restricted Community Housing fund then when the asset was purchased and the restriction was met, the corresponding funds were transferred to the Designated Community Housing fund.

**NOTES TO THE FINANCIAL STATEMENTS  
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**23. Related party transactions**

During the year the charity provided funding of £11,148 (2017 - £13,000) to The West End Garage, a partnership in which former trustee Donald MacDonald was a partner. The funding was to support the costs of an apprentice. The charity also provided funding of £3,490 (2017 - £10,548) to sole trader Lorn Mackay who is the brother of trustee Reay Mackay to support the costs of an apprentice.

The process to determine who the charity provides funding for apprenticeships to is carried out by the Apprentice Panel. This independent panel is comprised of 3 trustees from each of the following organisations: Fort Augustus and Glenmoriston Community Company, The Glengarry Trust and Stratherrick and Foyers Community Trust. Neither Donald MacDonald nor Reay Mackay were members of The Apprenticeship Panel.

**24. Preparation of financial statements**

In common with many other charities of our size, we use our auditor to assist in the preparation of the financial statements.

**25. Commitments**

At the year end a deposit of £200,000 had been paid for the purchase of the Old Convent Land. The purchase of this land was completed on the 4<sup>th</sup> of April 2018.

Also at the year end the construction of the medical centre had been committed to, the total expected spend on the construction totals £1,012,717 with £130,752 having been spent by the year end. The total commitment at the year end is therefore £881,965.