

**Charity number: SC039640**  
**Company number: SC293485**

**Sunart Community Company**  
**(A company limited by guarantee)**

**Directors' report and financial statements**  
**for the year ended 31 March 2019**

**Sunart Community Company**  
**(A company limited by guarantee)**

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**Sunart Community Company**  
**(A company limited by guarantee)**

**Legal and administrative information**

**Charity number** SC039640  
**Company registration number** SC293485

**Registered office** Creag Ard  
5 Longrigg Road  
Strontian  
Acharacle  
PH36 4HY

**Directors** David Michael Williams Barker  
Louise Elizabeth Cameron  
James Russell Hilder  
John Anthony Jones  
Janice Lundie MacKinnon  
John Tyldsley  
Christopher John Millar-Craig  
Catherine Durnam Campbell  
Kate Morag Proctor  
Joan Madden  
Alison Carmichael  
Matthew Simpkinson

Appointed 23 October 2018  
Appointed 23 October 2018  
Resigned 27 March 2019

Peter David Grubb  
Resigned 18 June 2018

**Secretary** John Anthony Jones  
Appointed 5 June 2017

**Accountants** R A Clement Associates  
Chartered Accountants  
5 Argyll Square  
Oban  
Argyll  
PA34 4AZ

**Sunart Community Company**  
**(A company limited by guarantee)**

**Report of the directors (incorporating the trustees' report)**  
**for the year ended 31 March 2019**

The directors present their report and the financial statements for the year ended 31 March 2019. The directors, who are also trustees of Sunart Community Company for the purposes of charity law and who served during the year and up to the date of this report are set out on page 1.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014 (FRS 102).

**Structure, governance and management**

The company is managed by a Board of Directors who are elected to the Board in accordance with the procedures outlined in the company's Articles of Association. The Sunart Community Council and the Strontian Angling Association each have a seat on the Board. Up to three directors also may be co-opted by the Board to serve until the date of the next AGM. Directors are provided with an induction pack, and sign up to a Code of Conduct and provide a register of interests to promote transparency.

The directors set the strategy and policy of the company, and generally control and supervise the company's activities, monitor its financial position. During the year there were two part-time employees (the equivalent of one full-time employee) line managed by two directors, responsible for the day-to-day management of company business on behalf of the Board of Directors.

The members of the company consist of the subscribers who are ordinary members. Ordinary members are those who are over 18 years of age, (although this was lowered to 16 years in February 2018\*), who are ordinarily resident in the community, are on the electoral register and who support the objectives of the company. There was no annual Membership fee for 2018 - 2019. The company must maintain no fewer than 20 members. It currently has 176 residents listed as Ordinary Members.

***Risk***

The directors have conducted their own review of the major risks to which the charity is exposed and systems have been established to mitigate those risks.

***Reserves***

The policy of the charity is to retain sufficient funds required to meet the ongoing running costs in respect of insurance costs, levies etc. The Board is of the opinion that the balances held at the year-end by the charity were prudent to ensure that these commitments could be met.

**Sunart Community Company**  
**(A company limited by guarantee)**

**Report of the directors (incorporating the trustees' report)**  
**for the year ended 31 March 2019**

**Aims and objectives**

As stated at the last AGM, the objectives of the charity are to manage community land and associated assets for the benefit of the Community and the public in general as an important part of the protection and sustainable development of Scotland's natural environment. In this context "sustainable development" means development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

It is the position of the Board that it does not generally wish to see publicly owned assets sold into private ownership. If company can use its legal structure and relevant legislation to secure that asset for future generations it will attempt to do so, where resources and prevailing circumstances allow. When the Board becomes aware of a sale or potential sale it will consider whether that property offers a strategic or operational fit with the aims of the Company and or the Sunart Community Action Plan (sometimes referred to as the CADISPA report.) If so, it will consider undertaking an initial or detailed feasibility study to confirm the potential for asset purchase. Please note this policy does not imply that every property will be purchased, but confirms the intention of the incumbent Board to examine the potential for each property, as part of its duty to future generations. Where the asset acquisition appears to offer limited opportunity, viability or prevailing resources prevent acquisition, then no action will be taken.

In furtherance of its aims and objectives, the company initiated and participated in a number of community based projects during the year and also organised several fund raising ventures in support of the aims.

**The work of the company has been grouped under three key activities;**

**Capacity Building and enhanced facilities for the community**  
**Fund raising, income generation**  
**Sunart Community Benefit Fund (CBF)**

***Capacity Building and Enhanced Facilities for the Community***

The Community Company seeks to work closely with the Sunart Community Council to develop services and facilities for the community. The Sunart Community Council are not permitted to own assets, however where land and, or facilities in the public or government ownership are offered for sale they may ask the Community Company to explore the community benefit, feasibility and viability for the community.

The Community Company have done this on a number of occasions for example with the Forestry Commission, now Forestry and Land Scotland (FLS) seeking to sell the Longrigg Plantation; the Highland Council disposing of the land adjoining the jetty and slipway and with Visit Scotland seeking to dispose of the Visitor Information Centre (VIC) in the village centre.

The company has been able to purchase the former Visitor Information Centre building and redecorate it. It opened in March 2019 with local crafts people and producers and the Community Company selling stock. This was only achieved with a huge voluntary effort from local residents many of whom continue to volunteer in the shop. We are very grateful!

***Other items include:***

Paths, Maps and Trails Group, with a grant from Paths for All the path to Ard na Staing Beach was created, had benches built and mapped local footpaths using the GPS device we purchased, took photographs and drafted a local Paths leaflet.

**Sunart Community Company**  
(A company limited by guarantee)

**Report of the directors (incorporating the trustees' report)**  
**for the year ended 31 March 2019**

The Loch Development Group coordinated the purchase and installation of three visitor moorings costing almost £6,000 thanks to the Sunart Community Benefit Fund. We are grateful to Mallaig Marine for their assistance with installation. An entry was put in "Welcome Anchorages" and this is encouraging vessels to visit the head of the loch. The transfer of the jetty land and lease for the jetty, slipway and moorings proved very slow partly due to Highland Council having problems in their legal department but is now scheduled for completion in 2019. The group have discussed options for the slipway and jetty and a tourism survey, developed by SMMAATA, looking at potential loch users. The first ever Water Festival was scaled down due to high winds but activities for children did take place and much enthusiasm gained for a 2019 event. Our thanks to all who contributed.

***Longrigg Woodland:***

We continued to progress the feasibility of a community buyout with the consultants employed to do the survey of the timber and consider options for extraction.

***Heritage***

No further work was undertaken in 2018 to raise the Floating Church Anchor as no volunteers have come forward from the wider community to assist with the project. The Visitor Information Centre may provide a possible location to display but the high cost of conservation remains challenging.

***Community Building***

The company has focussed its efforts on supporting the establishment of a Strontian Men's Shed in temporary accommodation and this has proved so successful other sites will be considered in 2019. The swimming pool committee did not convene so has not progressed. The company has continued to support the community council in pushing for the enhancement of the Dail Mhor Care facility and the now redundant former primary school building.

***Fisheries/Angling***

The fishing permits for the Strontian River and Loch Doilet continue to be sold to raise funds for the community company. In partnership with the Strontian Angling Club a new 'second-hand' boat was purchased to replace one of the Doilet boats which could no longer be repaired.

***Current Assets:***

Assets (in addition to areas of recreational ground around the village) include:

- \* The former Visit Scotland Visitor Information Centre, now the Oakwood Tourism & Crafts purchased for £27,000.
- \* Old School House Plot
- \* Composting Site, which the EGM in 2018 identified as the best location for a Men's Shed Building
- \* Community Greenhouse: the aim is to make this a more useful and accessible resource as it is ideally situated in the centre of the community, adjacent to the Men's Shed location and near the Community Woodland Plot.

***Fundraising, Income Generation:***

The Sunart Agricultural Show, where the Company host a Burger Stall and the Christmas Auction are currently the two main fundraising activities. In 2018 these events raised over £2,800, We must therefore thank all customers, and donors for their support and the volunteers for their help and hard work. In 2019 we hope to add the Sunart Water Festival as another fundraising event.

**Sunart Community Company**  
**(A company limited by guarantee)**

**Report of the directors (incorporating the trustees' report)**  
**for the year ended 31 March 2019**

With the company developing, there is the need to continue to explore and develop further options and activities. The building housing Oakwood Tourism & Crafts is an excellent location for local businesses, artists and activity providers to display and promote their goods and services, which complement and enhance the other businesses in the village. The aim of the Company is to develop the various activities on behalf of the community that generate an income which is sufficient to cover the running costs, and perhaps with some to spare to aid further development.

The Board continue to look for ways to fundraise and generate additional income to develop a sustainable company and to allow for development. At the 2018 Water Festival they launched a Friends of Sunarts' Coast and Waters asking for donations from Members, jetty users and visitors. The Oakwood Centre should generate additional income, too. The Company seek to work with the Common Benefit Fund and Sunart Community Renewables to explore and develop options for a long-term legacy for the community. A review of the Community Benefit Fund is planned for Spring 2019.

We must emphasise the importance and value of the volunteer support that we have which is vital and critical to us achieving our goals. The Volunteer days worked allow the Company to evidence the local support and commitment, which does count with providers when we are applying for grants and funding. So, we ask and urge people, please, do get involved with something that interests you - out of civic pride or just to have a good blether with other volunteers and a cup of tea and cake at the end. Volunteering can and does have a massive impact as the Burger Stall and Christmas Auction shows and the Oakwood Centre is reliant on the band of regular volunteers. And so on behalf of the Company, a big thank you to everyone who has volunteered. It is genuinely much appreciated.

***Employees***

Highlands and Island Enterprises (HIE) funded the two part-time development officers, who have been crucial in allowing the Company to hold meetings, consultation events, organising working party days, and providing support to different activity groups in and around the community. The funding ended in July 2018 and Angela Williams left the company after securing the funds to buy the visitor centre and sadly Izzy Baker's hours had to be reduced. It is vital to pursue alternative funding and increase the Company's capacity to generate income. We are very grateful to the Sunart Community Benefit Fund Panel for their support, without which we would not be able to achieve our aims and maintain momentum.

In November 2018, Lara Van de Peer joined the company to work as the project officer working (two days per week) with the five Community Councils on the peninsulas, to develop options for Dail Mhor and care for the community. This post is funded by the NHS Highland and the Sunart Community Company agreed to act as the employer when no other community was able to provide that role. By supporting Laura and the community councils, the Sunart Community Company has had an active role in helping to keep the Dail Mhor care facility open as a respite centre and retain a full complement of NHS staff employed locally. We will continue to do so and to explore all avenues to reduce isolation of and improve care and support for older residents of the area, which was another of the priorities of the Community Action Plan.

**Sunart Community Company**  
(A company limited by guarantee)

**Report of the directors (incorporating the trustees' report)**  
**for the year ended 31 March 2019**

***Sunart Community Benefit Fund (CBF)***

The Community Company helps distribute and audit profits donated by Sunart Community Renewables and in this period £25,000 was received for allocation by the Sunart Community Benefit Panel. We are grateful to the Board of SCR for their continued generosity given difficult trading conditions.

During this period the Community Benefit Fund Panel met in September 2018 and again in March 2019 and awarded a total of £15,300. Recipients being:

Highlife Highland Summer Activities Programme	£800
Strontian Angling Association (restocking)	£2,300
Sunart Water Festival	£600
HOWS (contribution to new safety boat)	£1,500
Sunart & District Agric Soc (Electric Supply)	£600
Sunart CC Contribution to LDO Salary	£5,000
Sunart CC Secretariat Fee	£1,000
CAOLAS	£2,000
Strontian Primary School (Study Trips)	£1,500

The Directors are immensely grateful for the time and consideration that the SCBF Panel volunteers put into their decision-making.

***Networking and Promotion***

Together with the Community Council, Sunart Community Renewables and the Sunart Community School Building Limited, the Company Directors seek to develop and promote our community. The strategic vision for the Company and community being to strive for: "A socially and economically inclusive environment which adapts to change in a sustainable and dynamic way, creating a resilient community." Summarised as: Keeping Sunart a great place to live, work and visit. And we seek to apply this by us "All working together building a strong community for the future". This continues to be the guiding principle we endeavour to apply.

The Company are members of the Development Trusts Association Scotland (DTAS) and the Community Woodlands Association. As already mentioned, the Company works closely with the Sunart Community Council to assist where practicable. Directors are involved, through the Community Council, with Dail Mhor House and development of care for the peninsulas. We attracted international interest with visitors from community development organisations in America and Canada and locally, the Social Enterprise Academy.

**Looking to the Future**

The Company directors will schedule another planning meeting to review performance and achievements and revisit the CADISPA outcomes and Community Plan, to consider our focus for the coming twelve months. The Oakwood Centre, the old visitor information centre, is developing and there are regular meetings with those involved. We will continue to progress the Paths and Loch Development groups and undertake a review of the Sunart Community Benefit Fund processes and Funding Framework, with an emphasis on investing unspent funds to create an income stream for when the hydro subsidies end.

**Acknowledgements**

In this financial year we particularly wish to acknowledge support from:

- \* The Scottish Government via the Scottish Land Fund (Oakwood & Longrigg projects)
- \* NHS Highland - funding the Dail Mhor Projects Officer.
- \* Paths For All - new footpaths, benches and a local walks leaflet.
- \* Sunart Community Renewables and the Sunart Community Benefit Fund
- \* All the local businesses and individuals who have supported our fundraisers.

**Thank You!**



**Sunart Community Company**  
**(A company limited by guarantee)**

**Report of the directors (incorporating the trustees' report)**  
**for the year ended 31 March 2019**

**Trustees' responsibilities in relation to the financial statements**

The directors (who are also trustees of Sunart Community Company under charity law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the 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 incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the 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 operation.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company 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 the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate 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.

Fiona McGlynn of R A Clement Associates was deemed to be reappointed as independent examiner and the directors recommend that Fiona McGlynn remains in office until further notice.

**Small company provisions**

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

This report was approved by the Board on 29<sup>th</sup> Oct '19 and signed on its behalf by



**James Russell Hilder**  
**Director**

**Sunart Community Company**  
**(A company limited by guarantee)**

**Independent examiner's report to the directors on the unaudited financial statements of Sunart Community Company.**

I report on the accounts for the year ended 31 March 2019 set out on pages 2 to 22.

This report is made to the charity's Trustees in accordance with the terms of my engagement. My work has been undertaken to enable me to prepare the financial statements on behalf of the charity's Trustees and for no other purpose.

To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's Trustees, as a body, for my work or this report.

**Respective responsibilities of trustees and independent 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 (the Act) and the Charities Accounts (Scotland) Regulations 2006 (as amended). 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 Independent examiner's statement**

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended). An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

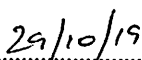
**Independent examiner's statement**

In the course of 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 Regulations
  - to prepare accounts which agree with the accounting records and comply with Regulation 8 of the 2006 Regulationshave 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.

  
.....

**Fiona McGlynn**  
**Chartered Accountant**  
**Independent examiner**

  
.....

**Date**

**Of R A Clement Associates**  
**5 Argyll Square**  
**Oban**  
**Argyll**  
**PA34 4AZ**

**Sunart Community Company**  
**(A company limited by guarantee)**  
**Statement of financial activities (incorporating the income and expenditure account)**  
**For the year ended 31 March 2019**

	Notes	Unrestricted funds £	Restricted funds £	Designated funds £	2019 Total £	Unrestricted funds £	Restricted funds £	Designated funds £	2018 Total £
<b>Income from:</b>									
Donations and grants	2	1,415	94,758	-	96,173	1,737	61,050	-	62,787
Charitable activities	5	1,727	-	-	1,727	1,793	-	-	1,793
Fundraising activities	3	3,407	-	709	4,116	2,957	-	-	2,957
Investment income	4	12	-	-	12	-	-	-	-
Other		15	-	-	15	15	-	-	15
<b>Total income</b>		<u>6,576</u>	<u>94,758</u>	<u>709</u>	<u>102,043</u>	<u>6,502</u>	<u>61,050</u>	<u>-</u>	<u>67,552</u>
<b>Expenditure on:</b>									
Raising funds		895	-	-	895	892	-	-	892
Fundraising trading:		-	1,572	3,207	4,779	-	-	-	-
Charitable activities	6, 7	5,450	44,872	800	51,122	3,155	44,530	800	48,485
<b>Total expenditure</b>		<u>6,345</u>	<u>46,444</u>	<u>4,007</u>	<u>56,796</u>	<u>4,047</u>	<u>44,530</u>	<u>800</u>	<u>49,377</u>
<b>Net income/(expenditure)</b>		231	48,314	(3,298)	45,247	2,455	16,520	(800)	18,175
Transfers between funds		2,432	(16,067)	13,635	-	(284)	284	-	-
<b>Net movement in funds</b>		2,663	32,247	10,337	45,247	2,171	16,804	(800)	18,175
<b>Reconciliation of funds:</b>									
Total funds brought forward		4,727	115,277	37,600	157,604	2,556	98,473	38,400	139,429
<b>Total funds carried forward</b>		<u>7,390</u>	<u>147,524</u>	<u>47,937</u>	<u>202,851</u>	<u>4,727</u>	<u>115,277</u>	<u>37,600</u>	<u>157,604</u>

The Statement of Financial Activities includes all gains and losses recognised in the year

All income and expenditure derive from continuing activities.

The notes on pages 12 to 22 form an integral part of these financial statements.

**Sunart Community Company**  
**(A company limited by guarantee)**

**Balance sheet**  
**as at 31 March 2019**

**SC293485**

	Notes	£	2019 £	£	2018 £
<b>Fixed assets</b>					
Tangible assets	12		155,655		119,086
Investments	13		400		400
			<u>156,055</u>		<u>119,486</u>
<b>Current assets</b>					
Stocks		1,001		-	
Debtors	14	24,008		15,607	
Cash at bank and in hand		41,372		38,141	
		<u>66,381</u>		<u>53,748</u>	
<b>Creditors: amounts falling due within one year</b>	15	(19,585)		(15,630)	
<b>Net current assets</b>			<u>46,796</u>		<u>38,118</u>
<b>Net assets</b>			<u>202,851</u>		<u>157,604</u>
<b>Funds</b>	16				
Designated funds			47,937		37,600
Restricted income funds			147,524		115,277
Unrestricted income funds			7,390		4,727
<b>Total funds</b>			<u>202,851</u>		<u>157,604</u>

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

The directors' statements required by s475(2) and s475(3) are shown on the following page which forms part of the Balance Sheet.

**The notes on pages 12 to 22 form an integral part of these financial statements.**

**Sunart Community Company**  
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**Balance sheet (continued)**

SC293485

**Directors statements required by the Companies Act 2006**  
**for the year ended 31 March 2019**

In approving these financial statements as directors of the company we hereby confirm:

(a) that for the year stated above the company was entitled to the exemption conferred by section 477 of the Companies Act 2006 ;

(b) that no notice has been deposited at the registered office of the company pursuant to section 476 of the Companies Act 2006 requesting that an audit be conducted for the year ended 31 March 2019.

(c) that we acknowledge our responsibilities for:

(1) ensuring that the company keeps proper accounting records which comply with section 386 of the Companies Act 2006, and

(2) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its surplus or deficit for the year then ended in accordance with the requirements of sections 394 and 395, and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

These financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the board on 29.03.2019 and signed on its behalf by



.....  
**David Barker**  
**Director**

**The notes on pages 12 to 22 form an integral part of these financial statements.**

**Sunart Community Company**  
**(A company limited by guarantee)**

**Notes to financial statements**  
**for the year ended 31 March 2019**

**Legal Status of the charity**

The charity is constituted as a company limited by guarantee and is governed in accordance with its Memorandum and Articles of Association. The company was accorded charitable status on 10th June 2008.

**1. Accounting policies**

The principal accounting policies adopted are summarised below.

**1.1. Basis of preparation and assessment of going concern.**

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The financial statements have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) as well as 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 and effective January 2015).

The charity meets the definition of a public benefit entity as defined by FRS 102.

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.

**1.2. Income**

Income is recognised in the statement of financial activities when the charity is entitled to the income, any performance conditions attached have been met, it is probable that the income will be received and the amount can be quantified with reasonable accuracy. Such income is only deferred when the donor specifies performance conditions which must be met before the charity has unconditional entitlement. The following specific policies are applied to particular categories of income:

Voluntary income is received by way of grants, donations and gifts and is included in full in the statement of financial activities when receivable. Grants where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included.

Gifts donated for resale are included as incoming resources within activities for generating funds when they are sold.

Grants, including grants for the purchase of fixed assets, are recognised in full in the statement of financial activities in the year in which they are receivable.

Income from the charity shop is included in the year in which it is receivable.

Income from investments is included in the year in which it is receivable.

**Sunart Community Company**  
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**Notes to financial statements**  
**for the year ended 31 March 2019**

**1.3. Expenditure**

Expenditure is recognised when there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be reliably measured.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated on an appropriate basis to the various activities of the charity. Where costs cannot be allocated directly, they are apportioned to categories on the basis of a reasonable estimate of the costs.

Fundraising costs are those incurred in generating income from various activities and do not include the costs of disseminating information in support of the charitable activities.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

Governance costs include those costs necessary for the board to fulfil its constitutional and statutory obligations and are now included as support costs included in charitable activities.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management.

The charity is not registered for VAT and accordingly expenditure includes all vat which is irrecoverable.

**1.4. Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Land and buildings	-	Not depreciated
Moorings	-	7.5% Straight line
Fixtures, fittings and equipment	-	25% straight line
Land for Turbine House	-	2% straight line

**1.5. Investments**

Investments held as fixed assets consist of shares in a subsidiary company and a community benefit society and are held in the balance sheet at cost.

**1.6. Stock**

Stock is valued at the lower of cost and net realisable value.

**1.7. Defined contribution pension schemes**

Employees of the charity are entitled to join a defined contribution "money purchase" scheme. The charity contribution is restricted to the contributions disclosed in note 10. There were no outstanding contributions at the year end. The costs of the defined contribution scheme are included in the appropriate cost centres and charged to the relevant fund.

**Sunart Community Company**  
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**Notes to financial statements**  
**for the year ended 31 March 2019**

**1.8. Financial Instruments**

The charity has only financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and are subsequently measured at their settlement value with the exception of bank loans which are measured at amortised cost using the effective interest rate method.

**2. Donations and grants**

	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>2019 Total £</b>	<b>2018 Total £</b>
Donations	-	-	-	606
Sunart Community Council footpath donations	-	-	-	500
Highlands & Islands Enterprise - Jetty and land	-	-	-	1,691
HIE - LDO	-	7,419	7,419	12,290
SCR - Community fund	-	25,000	25,000	45,000
Longrigg woodland	-	6,339	6,339	1,200
Paths for all	-	1,500	1,500	1,500
Oakwood	-	42,000	42,000	-
Mens shed	615	-	615	-
Water festival	800	-	800	-
NHS Highland	-	12,500	12,500	-
	<u>1,415</u>	<u>94,758</u>	<u>96,173</u>	<u>62,787</u>

**3. Fundraising activities**

	<b>Unrestricted funds £</b>	<b>Designated funds £</b>	<b>2019 Total £</b>	<b>2018 Total £</b>
Shop income	-	709	709	-
Fundraising Auction	1,847	-	1,847	1,480
Fundraising Barbeque	1,560	-	1,560	1,477
	<u>3,407</u>	<u>709</u>	<u>4,116</u>	<u>2,957</u>

**4. Investment income**

	<b>Unrestricted funds £</b>	<b>2019 Total £</b>	<b>2018 Total £</b>
Bank interest receivable	12	12	-
	<u>12</u>	<u>12</u>	<u>-</u>



**Sunart Community Company**  
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**Notes to financial statements**  
**for the year ended 31 March 2019**

**5. Charitable activities**

	<b>Unrestricted funds £</b>	<b>2019 Total £</b>	<b>2018 Total £</b>
Boat Hire and permits	540	540	1,093
Mooring fees	1,187	1,187	700
	<u>1,727</u>	<u>1,727</u>	<u>1,793</u>

**6. Costs of charitable activities - by fund type**

	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Designated funds £</b>	<b>2019 Total £</b>	<b>2018 Total £</b>
General Development/Overheads	3,059	36,706	800	40,565	41,932
Fisheries Project	-	-	-	-	1,620
Moorings	1,640	-	-	1,640	697
Other activities	751	8,166	-	8,917	4,236
	<u>5,450</u>	<u>44,872</u>	<u>800</u>	<u>51,122</u>	<u>48,485</u>

**7. Costs of charitable activities - by activity**

	<b>Activities undertaken directly £</b>	<b>Grant funding activities £</b>	<b>2019 Total £</b>	<b>2018 Total £</b>
General Development/Overheads	28,965	11,600	40,565	41,932
Fisheries Project	-	-	-	1,620
Moorings	1,640	-	1,640	697
Other activities	8,917	-	8,917	4,236
	<u>39,522</u>	<u>11,600</u>	<u>51,122</u>	<u>48,485</u>

Costs of grant funding activities in the year were donations made to local groups via the Sunart Community Fund Panel of £11,600. The groups that were awarded grants in the year were:

Highlife Highland Summer Activities Programme  
 Strontian Angling Association (restocking)  
 Sunart Water Festival  
 HOWS (contribution to new safety boat)  
 Sunart & District Agric Soc (Electric Supply)  
 Sunart CC Contribution to LDO Salary  
 Sunart CC Secretariat Fee  
 CAOLAS

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**Notes to financial statements**  
**for the year ended 31 March 2019**

**8. Net incoming resources for the year**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Net incoming resources is stated after charging:		
Depreciation and other amounts written off tangible fixed assets	3,256	1,098
Examiner's/Auditors' remuneration	<u>1,710</u>	<u>1,500</u>

**9. Employees**

<b>Employment costs</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Wages and salaries	23,904	25,312
Social security costs	1,458	1,332
Pension costs	1,494	-
Other costs	<u>652</u>	<u>1,188</u>
	<u><u>27,508</u></u>	<u><u>27,832</u></u>

No employee received emoluments of more than £60,000 (2018 : None).

**Number of employees**

The average monthly numbers of employees (excluding the directors) during the year, was as follows:

<b>2019</b>	<b>2018</b>
<b>Number</b>	<b>Number</b>
<u><u>2</u></u>	<u><u>2</u></u>

**Key Management Personnel**

The key management personnel of the charity are the Board of Trustees. No key management personnel were remunerated in the year.

**Trustees' expenses and remuneration**

The charity trustees, who are the directors of the company, were not paid and did not receive any remuneration, benefits in kind or reimbursement of expenses in their capacity as trustee during the year. No trustee received payment for professional or other services supplied to the charity.

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**Notes to financial statements**  
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**10. Pension costs**

The company operates a defined contribution pension scheme in respect of the employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £747 (2018 - £Nil).

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Pension charge	<u>747</u>	<u>-</u>

**11. Taxation**

The charity is a charitable company within the meaning of the Finance Act 2010. Accordingly the charity's activities fall within the exemptions from taxation in respect of income or capital gains afforded by the provisions of the Corporation Taxes Act 2010 and the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied for charitable purposes. As a result, there is no taxation charge in these accounts.

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**Notes to financial statements**  
**for the year ended 31 March 2019**

<b>12. Tangible fixed assets</b>	<b>Land and buildings freehold £</b>	<b>Plant and machinery £</b>	<b>Fixtures, fittings and equipment £</b>	<b>Land for Turbine House £</b>	<b>Total £</b>
<b>Cost</b>					
At 1 April 2018	80,889	-	1,193	40,000	122,082
Additions	32,235	5,880	1,710	-	39,825
At 31 March 2019	<u>113,124</u>	<u>5,880</u>	<u>2,903</u>	<u>40,000</u>	<u>161,907</u>
<b>Depreciation</b>					
At 1 April 2018	-	-	596	2,400	2,996
Charge for the year	1,289	441	726	800	3,256
At 31 March 2019	<u>1,289</u>	<u>441</u>	<u>1,322</u>	<u>3,200</u>	<u>6,252</u>
<b>Net book values</b>					
At 31 March 2019	<u>111,835</u>	<u>5,439</u>	<u>1,581</u>	<u>36,800</u>	<u>155,655</u>
At 31 March 2018	<u>80,889</u>	<u>-</u>	<u>597</u>	<u>37,600</u>	<u>119,086</u>

The original land was purchased in 2006 and included fishing rights

The company purchased additional land in March 2014 at a cost of £2,000 as part of its plans for the construction of a Hydro Scheme in the area.

The company purchased additional land in March 2015 as the site for the construction of the Turbine House. This land has been leased to Sunart Community Renewables on a 50 year lease with an initial lease premium of £40,000.

The company purchased land being an Old School Plot in 2017 which cost £6,824 including legal costs.

The company purchased and renovated the former Visitor Information Centre in 2018 at a cost of £32,235.

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**Notes to financial statements**  
**for the year ended 31 March 2019**

<b>13. Fixed asset investments</b>	<b>Subsidiary undertakings</b>	<b>Other unlisted investments</b>	<b>Total</b>
	<b>shares</b>	<b>investments</b>	
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Valuation</b>			
At 1 April 2018 and			
At 31 March 2019	100	300	400
	<u>100</u>	<u>300</u>	<u>400</u>
Historical cost as at 31 March 2019	100	-	100
	<u>100</u>	<u>-</u>	<u>100</u>

All fixed asset investments are held within the United Kingdom.

The charity acquired shares in 2017 in the Strontian Community School Building CBS for £300.

**13.1. Holdings of 20% or more**

The company holds 20% or more of the share capital of the following companies:

	<b>Country of registration or incorporation</b>	<b>Nature of business</b>	<b>Shares held class</b>	<b>Proportion of shares held</b>
<b>Subsidiary undertaking</b>				
Sunart Community Enterprise Ltd	Scotland	Community Enterprise	Ordinary	100%

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	<b>Capital and reserves</b>	<b>Profit for the year</b>
	<b>£</b>	<b>£</b>
Sunart Community Enterprise Ltd	100	-

**14. Debtors**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Other debtors	24,008	15,607
	<u>24,008</u>	<u>15,607</u>

Other debtors includes £2,500 from HIE for January to March 2018 LDO costs.

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**Notes to financial statements**  
**for the year ended 31 March 2019**

**15. Creditors: amounts falling due within one year**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Other creditors	17,090	13,530
Accruals and deferred income	2,495	2,100
	<u>19,585</u>	<u>15,630</u>

Also included in other creditors are 2018/19 donations of £8,900 which are unpaid at the year end and an additional £5,000 remaining unpaid from 2017/18.

**16. Analysis of net assets between funds**

	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Designated funds</b>	<b>Total funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Fund balances at 31 March 2019 as represented by:				
Tangible fixed assets	6,143	112,712	36,800	155,655
Investment assets	400	-	-	400
Current assets	4,696	49,743	11,942	66,381
Current liabilities	(3,849)	(14,931)	(805)	(19,585)
	<u>7,390</u>	<u>147,524</u>	<u>47,937</u>	<u>202,851</u>

**Analysis of net assets between funds (prior year)**

	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Designated funds</b>	<b>Total funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Fund balances at 31 March 2018 as represented by:				
Tangible fixed assets	704	80,782	37,600	119,086
Investment assets	400	-	-	400
Current assets	19,253	34,495	-	53,748
Current liabilities	(15,630)	-	-	(15,630)
	<u>4,727</u>	<u>115,277</u>	<u>37,600</u>	<u>157,604</u>

**17. Unrestricted funds**

	<b>At 1 April 2018</b>	<b>Incoming resources</b>	<b>Outgoing resources</b>	<b>Transfers</b>	<b>At 31 March 2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Unrestricted funds	<u>4,727</u>	<u>6,576</u>	<u>(6,345)</u>	<u>2,432</u>	<u>7,390</u>

**Sunart Community Company**  
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**Notes to financial statements**  
**for the year ended 31 March 2019**

<b>18. Restricted funds</b>	<b>At 1 April 2018 £</b>	<b>Incoming resources £</b>	<b>Outgoing resources £</b>	<b>Transfers £</b>	<b>At 31 March 2019 £</b>
<b>Capital Funds</b>					
Community Land	69,670	-	-	-	69,670
Allt nan Cailleach Dam	2,000	-	-	-	2,000
Awards for all - School Plot	5,000	-	-	-	5,000
Oakwood - shop	-	42,000	(1,572)	(8,635)	31,793
<b>Revenue Funds</b>					
Local Development Officer fund	6,824	19,919	(25,104)	6,000	7,639
Sunart Community benefit fund	14,031	25,000	(11,600)	(11,600)	15,831
Anchor project	1,832	-	-	(1,832)	-
Other funds	15,920	7,839	(8,168)	-	15,591
	<u>115,277</u>	<u>94,758</u>	<u>(46,444)</u>	<u>(16,067)</u>	<u>147,524</u>

**Purposes of restricted funds**

**Community Land**

The Community Land restricted fund represents grants received towards the purchase of community land and fishing rights in 2006.

**Allt nan Cailleach Dam**

The land for the dam was purchased for £2,000 funded in part by a grant of £1,000 from the Community Council.

**Local Development Officer fund**

Grants totalling £12,500 from NHS Highlands were received during the year with an additional amount of £7,449 due to be received in respect of 2018/19 for the funding of Local Development Officers who were employed this year. In addition grants due in respect of 2017/18 are still being claimed and are carried forward at an amount £30 less than provided for in the current year. A transfer of £6,000 was made from the community fund to cover wages costs.

**Sunart Community benefit fund**

Donations from Sunart Community Renewables totalled £25,000 in the year. £15,300 was donated to various organisations in the year. A list of these organisations can be found in note 6 to the accounts. A transfer of £6,000 was made to the Land Development Officer fund to cover the deficit in the current year. Further transfers of £5,600 were made to other funds for restricted purposes.

**Awards for all - School Plot**

A £5,000 grant was received from Awards for All in the 2017 which was towards the purchase of a plot of land beside the former Victorian Primary School to be developed as an amenity plot for general community benefit.

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**Notes to financial statements**  
**for the year ended 31 March 2019**

**Oakwood - shop**

During the year the Company has been able to purchase the former Visitor Information Centre building and renovate and redecorate it. The fund balance carried forward represents the net book value of the asset. Surplus funds have been transferred to the designated fund for operating the facility.

**Anchor project**

The Anchor project was never spent and the fund balance has been re-absorbed into general funds.

**Other funds**

A grant of £6,339 was received in the year for Longrigg Woodland project and fully expended.

A grant of £1,500 was received for the Path Project and costs of £1,828 was expended during the year.

19. Designated funds	At 1 April 2018 £	Incoming resources £	Outgoing resources £	Transfers £	At 31 March 2019 £
Turbine House Land Lease	37,600	-	(800)	-	36,800
Oakwood Shop	-	709	(3,207)	13,635	11,137
	<u>37,600</u>	<u>709</u>	<u>(4,007)</u>	<u>13,635</u>	<u>47,937</u>

**Purposes of designated funds**

Land for the turbine house was purchased by SCC but was immediately leased to Sunart Community Renewables with a lease premium which matched the purchase price.

Depreciation of £800 was charged this year against the cost of the land.

The Company has been able to purchase the former Visitor Information Centre building for use of a shop with all funds from operations being treated as designated.

**20. Company limited by guarantee**

Sunart Community Company is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.