

Charity number: SC035761
Company number: SC270732

Craignish Community Company Limited
(A company limited by guarantee)

Directors' report and financial statements

for the year ended 31 December 2019

Craignish Community Company Limited
(A company limited by guarantee)

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Craignish Community Company Limited
(A company limited by guarantee)

Legal and administrative information

Charity number SC035761
Company registration number SC270732

Business address Craignish Village Hall
Ardfern
Lochgilphead
Argyll
PA31 8QN

Registered office PO Box PA31 8UU
Highclere House
Craobh Haven
Lochgilphead
Argyll
PA31 8UU

Directors	Iain Ogilvy Saunders	Chair
	John Stephen Clarke	Treasurer
	Rory Day	
	Patricia O'Reilly	
	Timothy David Barlow	Appointed 3 October 2019
	Victoria Burnett	
	Will Craig	Resigned 13 November 2019
	Philip Harry Dickinson	Resigned 3 October 2019

Secretary John Stephen Clarke

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

Craignish Community Company Limited
(A company limited by guarantee)

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

The directors present their report and the financial statements for the year ended 31 December 2019. The directors, who are also trustees of Craignish Community Company Limited 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 charity's trust deed, 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

Governing document

The charity is a company limited by guarantee and registered with the Office of the Scottish Charity Regulator. Its charitable purposes and administration arrangements are set out in its Memorandum and Articles of Association.

Recruitment and appointment of directors

All of the Company's directors are appointed or reappointed by the members at the annual general meeting which is held in March or April each year. Additional directors may be appointed by the board, serving until the next AGM, at which time they must retire.

Risk policy

The directors have assessed the major risks to which the charity is exposed, and in particular those related to the operations and finances of the Trust, and are satisfied that systems are in place to mitigate any exposure to these risks.

Objectives and activities

Charitable purposes

The charitable purposes are recorded in the Memorandum and Articles of Association 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:*
- * *To advance the education of the Community about its environment, culture and/or history.*
- * *To promote, establish, operate and/or support other projects and initiatives of a similar charitable nature for the benefit of the Community of Craignish.*

Craignish Community Company Limited
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Report of the directors (incorporating the trustees' report)
for the year ended 31 December 2019

Achievements and performance

Board

At the last AGM Phil Dickinson stood down after serving as Secretary to focus on his Community Council responsibilities. The following were elected to the Board: Iain Saunders (chair) Tim Barlow (vice-chair), John Clarke (treasurer), Rory Day, Will Craig, Scott Mannion and Patricia O'Reilly. Vicki Burnett and Nick Purdy were co-opted to the board in July. Will Craig resigned from the board in November.

Directors remuneration and other expenses

The directors did not receive any remuneration or expenses during the year.

Boat Jumble

The 2019 Boat Jumble and Car Boot Sale raised £1,374 towards C3's running costs. After 20 years Jan Brown handed over the baton for organising the Boat Jumble to Tiziana Tedoldi. Thanks are due to them both and to those who volunteered on the day.

Community and School Play Area

The board regrets the delay in making this exciting new facility available to the School and Community. However, there have been a number of challenges along the way. We were delighted to receive a grant from the Righ Foundation of £22,000 making it possible for us to proceed with the construction of the Roundhouse - an outdoor learning centre. Work began in April with the cutting and stripping of logs. At the end of the year the rafters are pinned ready for the green roof construction. Scott Mannion has served as our design engineer, working hard to secure the Building Warrant. We now have increased insurance cover for the roundhouse and public liability, and we are about to sign the reciprocal licences with Argyll Bute Council. The site is fenced and secure and the paths compacted.

Japanese Knotweed

The spraying programme was successfully completed in August covering the lochside from Craig Dubh to Kirkton.

Nesting Birds

Following the failure to attract terns back to nest in Loch Craignish, the raft funds are now being used to make nesting boxes for Black Guillemots and other species. Mink control remains a vital part of protecting our ground-nesting birds.

Marine Environment

C3 is pleased to be in partnership with Cromach (Craignish Restoration of Marine and Coastal Habitats) in protecting our marine environment. Cromach would like to see Loch Craignish within the Marine Protected Area.

First Responders

Following the installation of a new defibrillator in Croabh, C3 is now supporting the First Responders' proposal to site a third IPAD towards the end of the peninsular near the entrance to Craignish Castle.

Galley Land

C3 has made a contribution to the LDP2 Consultation indicating our support for the designation of the land in front of the Galley of Lorn as an OSPA.

Broadband

The board met with the OpenReach Customer Field Manager to explore how the Gigabit Voucher Scheme might make it possible for more homes in our community to have high-speed broadband. Nick Purdy has made a detailed submission on our behalf.

Craignish Community Company Limited
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Report of the directors (incorporating the trustees' report)
for the year ended 31 December 2019

Reserves

The overall surplus for the year per the Statement of Financial Activities was £16,871. At the year end, the company held total unrestricted funds of £5,682.

The company also held restricted funds of £106,235, of which £66,672 is in respect of the purchase of land and related costs and £26,771 in respect of the construction of the roundhouse are held as a capital asset fund; the remaining balance of £12,972 includes £7,000 held as cash at bank, for future development expenditure and £5,792 held for various smaller funds (see note 11)

The policy of the Trust is to aim to retain sufficient reserves to meet the cost of any regular commitments, as well as a contingency to enable it to continue to develop further projects.

A website, www.craignishcommunitycompany.org.uk has been set up and enables members of the public to keep up to date with the activities of the company.

Trustees' responsibilities in relation to the financial statements

The directors (who are also trustees of Craignish Community Company Limited 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.

Craignish Community Company Limited
(A company limited by guarantee)

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

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 11.3.20 and signed on its behalf by



John Stephen Clarke
Secretary

Craignish Community Company Limited
(A company limited by guarantee)

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

I report on the accounts for the year ended 31 December 2019 set out on pages 2 to 16.

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.

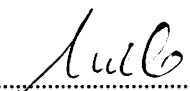
Basis of Independent examiner's statement

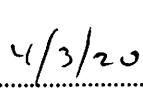
My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended). An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration 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

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

	Notes	Unrestricted funds £	Restricted funds £	2019 Total £	2018 Total £
Income from					
Donations and grants	2	-	22,330	22,330	1,116
Fundraising activities	3	1,599	-	1,599	1,407
Investment income		194	-	194	151
Total income		<u>1,793</u>	<u>22,330</u>	<u>24,123</u>	<u>2,674</u>
Expenditure on					
Insurance costs		383	-	383	383
Hall hire		96	-	96	88
Accountancy fees		660	-	660	540
Events - fundraising costs		96	-	96	159
Core Activities - Other costs		482	-	482	114
Core Activities - Donations & Grants		-	348	348	-
1st Responders - Ardfern		-	411	411	46
1st Responders - Craobh		-	430	430	1,188
Tern Project		-	-	-	818
Rosemary's plot - Support - Playpark		-	4,346	4,346	13,237
Total expenditure		<u>1,717</u>	<u>5,535</u>	<u>7,252</u>	<u>16,573</u>
Net income/(expenditure) for the year		76	16,795	16,871	(13,899)
Transfers between funds		-	-	-	-
Net movement in funds		<u>76</u>	<u>16,795</u>	<u>16,871</u>	<u>(13,899)</u>
Reconciliation of funds:					
Total funds brought forward		<u>5,606</u>	<u>89,440</u>	<u>95,046</u>	<u>108,945</u>
Total funds carried forward		<u>5,682</u>	<u>106,235</u>	<u>111,917</u>	<u>95,046</u>

The notes on pages 10 to 16 form an integral part of these financial statements.

Craignish Community Company Limited
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Balance sheet
as at 31 December 2019

SC270732

	Notes	£	2019	£	£	2018	£
Fixed assets							
Tangible assets	7		93,443			66,672	
Current assets							
Cash at bank and in hand		19,314			31,681		
		19,314			31,681		
Creditors: amounts falling due within one year	8	(840)			(3,307)		
Net current assets			18,474			28,374	
Net assets			111,917			95,046	
Funds							
Restricted income funds	9		106,235			89,440	
Unrestricted income funds			5,682			5,606	
Total funds			111,917			95,046	

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 10 to 16 form an integral part of these financial statements.

Craignish Community Company Limited
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Balance sheet (continued)

SC270732

Directors statements required by the Companies Act 2006
for the year ended 31 December 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 December 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 11.3.20 and signed on its behalf by



Timothy David Barlow
Director

The notes on pages 10 to 16 form an integral part of these financial statements.

Craignish Community Company Limited
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 December 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.

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 (effective January 2015) (FRS 102).

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. Fund accounting

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have created funds for specific purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed, or through the terms of an appeal.

Further details of specific funds are disclosed in note 10

Craignish Community Company Limited
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Notes to financial statements
for the year ended 31 December 2019

1.3. 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 investments is included in the year in which it is receivable.

1.4. 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.

Craignish Community Company Limited
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Notes to financial statements
for the year ended 31 December 2019

1.5. 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	-	Not depreciated
Roundhouse	-	Not currently depreciated

As the purchase in the year comprises solely of land, and has an indefinite useful life, it has not been depreciated in the financial statements.

1.6. 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

	Restricted funds £	2019 Total £	2018 Total £
Donations	22,260	22,260	16
1st Responders	70	70	900
Cromach Donations	-	-	200
	<u>22,330</u>	<u>22,330</u>	<u>1,116</u>

Income in 2018 was £16 unrestricted and £1,100 restricted.

3. Fundraising activities

	Unrestricted funds £	2019 Total £	2018 Total £
Boat jumble	1,599	1,599	1,407
	<u>1,599</u>	<u>1,599</u>	<u>1,407</u>

All income in 2018 was unrestricted

4. Key Management Personnel

No salaries or wages have been paid to employees, including the directors, during the year.

The key management personnel of the charity are the Board of Trustees.

Craignish Community Company Limited
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Notes to financial statements
for the year ended 31 December 2019

5. Trustees' emoluments

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.

6. 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.

7. Tangible fixed assets	Land and buildings freehold	Round house	Total
	£	£	£
Cost			
At 1 January 2019	66,672	-	66,672
Additions	-	26,771	26,771
At 31 December 2019	<u>66,672</u>	<u>26,771</u>	<u>93,443</u>
Net book values			
At 31 December 2019	<u>66,672</u>	<u>26,771</u>	<u>93,443</u>
At 31 December 2018	<u>66,672</u>	<u>-</u>	<u>66,672</u>

8. Creditors: amounts falling due within one year	2019	2018
	£	£
Other creditors	-	67
Accruals and deferred income	840	3,240
	<u>840</u>	<u>3,307</u>

Craignish Community Company Limited
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Notes to financial statements
for the year ended 31 December 2019

9. Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total funds £
Fund balances at 31 December 2019 as represented by:			
Tangible fixed assets	-	93,443	93,443
Current assets	6,522	12,792	19,314
Current liabilities	(840)	-	(840)
	<u>5,682</u>	<u>106,235</u>	<u>111,917</u>

10. Unrestricted funds

	At 1 January 2019 £	Income £	Expenditure £	At 31 December 2019 £
Unrestricted Funds	<u>5,606</u>	<u>1,793</u>	<u>(1,717)</u>	<u>5,682</u>

Purposes of unrestricted funds

The directors have concluded that the funds which had been earmarked for various purposes at the discretion of the directors should be classified as restricted funds and the balances on these funds have been transferred. See note 11.

Craignish Community Company Limited
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Notes to financial statements
for the year ended 31 December 2019

11. Restricted funds	At				At
	1 January	Income	Expenditure	Transfers	31 December
	2019				2019
	£	£	£	£	£
Asset fund					
Rosemary's Plot Capital Fund	66,672	-	-	-	66,672
Roundhouse capital fund	-	-	-	26,771	26,771
Revenue funds					
Rosemary's Plot Revenue Fund	15,857	22,260	(4,346)	(26,771)	7,000
1st Responders Ardfern	4,060	70	(411)	-	3,719
1st Responders Craobh	501	-	(430)	-	71
Art Festival	365	-	-	-	365
Terns	990	-	-	-	990
Cromach Fund	348	-	(348)	-	-
Knotweed Fund	647	-	-	-	647
	<u>89,440</u>	<u>22,330</u>	<u>(5,535)</u>	<u>-</u>	<u>106,235</u>

Purposes of restricted funds

Rosemary's Plot Capital Fund

Donations were raised in order to purchase a plot of land for an original cost of £61,739, including legal costs; in subsequent years additional fees for design relating to development of the land have been incurred. The land is being developed into a community play area.

Roundhouse Capital Fund

Construction of a robust round pavilion structure that would act as a shelter/play space during playtime, evenings and weekends, and an outdoor classroom as and when required has been commenced in the year. On completion it could be expected to last 20-25 years with minimal maintenance.

Rosemary's Plot Revenue Fund

The total donations raised in 2016 in relation to the land purchase exceeded the purchase price and therefore the balance of funds was carried forward to use against future costs of developing the plot into the community play area. Funds already held as designated funds were transferred in to add to this balance. Expenditure in the year relates to development of the play park.

The transfer between the funds represents costs incurred in 2019 relating to the construction of the Roundhouse.

Other restricted funds

The directors have concluded that various small funds previously considered to be designated funds should be transferred to restricted funds and these are shown above.

Craignish Community Company Limited
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Notes to financial statements
for the year ended 31 December 2019

12. Company limited by guarantee

Craignish Community Company Limited 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.