

**Charity Registration No. SC040296 (Scotland)**

**Company Registration No. SC344641 (Scotland)**

**ARDRISHAIG COMMUNITY TRUST**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2018**

# ARDRISHAIG COMMUNITY TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Directors</b>	Mr Arthur Barclay Mr Duncan Broadfoot Mr Edward Laughton Mr Hamish Nicol Mrs Linda Quelch Mrs Lynn Gorrie
<b>Secretary</b>	Mr Duncan Broadfoot
Charity number (Scotland)	SC040296
<b>Company number</b>	SC344641
<b>Principal address</b>	Ardrishaig Community Trust 61 Chalmers Street Ardrishaig Argyll PA30 8DX
<b>Independent examiner</b>	Iain D C Webster The Old Surgery School Road Tarbert Argyll PA29 6UL
<b>Bankers</b>	The Co-operative Bank <a href="http://www.co-operativebank.co.uk">www.co-operativebank.co.uk</a>

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# ARDRISHAIG COMMUNITY TRUST

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# ARDRISHAIG COMMUNITY TRUST

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 OCTOBER 2018

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The directors present their report and trust accounts for the year ended 31 October 2018.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the memorandum and Articles of Association (as amended), the Companies Act 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005.

#### **Objectives and activities**

The Trust's objectives are:-

To advance the development and regeneration of Ardrishaig for the benefit of the community and the public in general following general principles of sustainable development.

To manage community land and community assets for the benefit of the community and the public in general following the principles of sustainable development.

To provide or assist in providing recreational facilities and/or organising recreational activities which will be available to members of the public at large with the object of improving the conditions of life of the community following the principles of sustainable development.

To advance the education of the community about its environment, culture and history.

To advance environmental protection or improvement including preservation and conservation of the natural environment, the promotion of sustainable development, the maintenance, improvement or provision of environmental amenities for the community and/or the preservation of buildings or sites of architectural, historic or other importance to the community.

The directors have paid due regard to guidance issued by the Charity Commission in deciding what activities the the trust should undertake.

One of the Trust's activities is the making of grants that benefit the people and community of Ardrishaig, and the wider public. These grants are concentrated primarily within Ardrishaig community area which is defined by the PA30 postcodes plus PA31 8NH and PA31 8NY. Grants made outside this area are only made on the basis of clear benefit to the Ardrishaig community.

Grants are made in accordance with the Trust's Memorandum & Articles and are made to meet the Trusts objectives.

Applications for grants will not be accepted from the following:

- Political organisations;
- National organisations, unless there is a local branch;
- Religious organisations;
- Companies who aim to distribute a profit.

#### **Achievements and performance**

Ardrishaig Renewable Energies Ltd. (ARE) is a wholly owned subsidiary of the Trust. It is the Trust's trading business which is a member of Allt Dearg Wind Farmers LLP (ADWF). ARE gifted to the Trust £112,939. There was no specific ACTION Fund held during the year. There were however grants made to local causes totalling £6,582.

#### **Financial review**

# ARDRISHAIG COMMUNITY TRUST

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 OCTOBER 2018

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The board has continued the policy of building up a strategic cash reserve over this financial year, with a view to being able to support local redevelopment being planned at this time. The Trust Board noted that we are a quarter of the way in to the Alt Dearg Wind Farm income and wish to leave a lasting legacy for the village in the future. As stated before this will strengthen the Trust and its members position in any future plans for the village.

It should also be noted that of the cash reserves held by the Trust, a figure of £15,448 has been reserved and agreed to go towards projects currently under way, but the money has not yet been spent.

It is the policy of the trust that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six months anticipated expenditure above the strategic reserve. The directors consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Trust's current activities while consideration is given to ways in which additional funds may be raised. In order not to compromise the Trust's charitable status the accounts need to show that the assets are sufficient to enable the Trust to repay its borrowings.

#### Future liabilities.

The Trust received an advance of £15,750 from the Argyll & Bute Council on behalf of Leader in 2010. As previously reported, agreement had been reached to repay £1,575 a year interest free for the next 10 years. The directors' decided to repay the remaining balance, in full, during the year.

#### Donated facilities.

Kenneth's of Stronachullin and Scottish Canals have made rooms available at no cost for Trust meetings.

The directors have assessed the major risks to which the the trust is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

Future plans include consolidating, fulfilling and developing the Trust's present objectives. It is anticipated that the income derived from the wind farm will be in excess of £80,000 per annum.

#### **Structure, governance and management**

The charity is constituted as "incorporated by guarantee and not having share capital", governed by its Memorandum and Articles of Association. It is recognised as a charity for the purposes of s505 ICTA 1988 and is entitled under chapter 2 paragraph 13 of The Charities and Trustee Investment (Scotland) Act 2005 to describe itself as a Scottish Charity.

The members of the trust who were elected to serve as directors during the year were:

Mr Arthur Barclay

Mr Duncan Broadfoot

Mr Edward Laughton

Mr Hamish Nicol

Mrs Linda Quelch

Mr Ron Bowe

(Resigned 27 June 2018)

Mr Ronald MacInnes

(Resigned 27 June 2018)

Mrs Lynn Gorrie

Directors are elected by the membership of the trust.

None of the directors have any beneficial interest in the company. All of the directors are members of the company and guarantee to contribute £1 in the event of a winding up.

**ARDRISHAIG COMMUNITY TRUST**


**DIRECTORS' REPORT**


**FOR THE YEAR ENDED 31 OCTOBER 2018**

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Membership is open to the public through a process of application. Members have democratic control of the trust with all members having one equal vote. Those serving as elected officials are accountable to the membership.

The directors' report was approved by the Board of Directors.

  
.....  
**Mr Duncan Broadfoot**  
Director  
Dated: 29 July 2019

  
.....  
**Mr Edward Laughton**  
Director  
Dated: 29 July 2019

# ARDRISHAIG COMMUNITY TRUST

## INDEPENDENT EXAMINER'S REPORT

### TO THE DIRECTORS OF ARDRISHAIG COMMUNITY TRUST

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I report on the financial statements of the the trust for the year ended 31 October 2018, which are set out on pages 5 to 18.

#### **Respective responsibilities of directors and examiner**

The directors, who also act as trustees for the charitable activities of are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The directors consider that the audit requirement of Regulation 10 (1) (a) to (c) of the Accounts Regulations does not apply.

#### **Basis of independent examiner's statement**

My examination was carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the directors 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 these accounts.

#### **Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
  - (i) to keep accounting records in accordance with section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
  - (ii) to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations;  
have not been met; or  
have not been met or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Iain D C Webster

The Old Surgery  
School Road  
Tarbert  
Argyll  
PA29 6UL

Dated: 29 July 2019

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# ARDRISHAIG COMMUNITY TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 OCTOBER 2018

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		Unrestricted funds 2018	Restricted funds 2018	Total 2018	Total 2017 as restated
	Notes	£	£	£	£
<b><u>Income from:</u></b>					
Donations	3	309,044	-	309,044	35,559
Charitable activities	4	2,200	38,320	40,520	14,102
Investment income (including corporate gift aid)	5	202	-	202	183
<b>Total income</b>		<b>311,446</b>	<b>38,320</b>	<b>349,766</b>	<b>49,844</b>
<b><u>Expenditure on:</u></b>					
Charitable activities	6	62,578	38,320	100,898	34,268
Net gains/(losses) on investments	11	1,002	-	1,002	131,508
<b>Net movement in funds</b>		<b>249,870</b>	<b>-</b>	<b>249,870</b>	<b>147,084</b>
Fund balances at 1 November 2017		338,354	-	338,354	191,270
<b>Fund balances at 31 October 2018</b>		<b>588,224</b>	<b>-</b>	<b>588,224</b>	<b>338,354</b>

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The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.



# ARDRISHAIG COMMUNITY TRUST

## STATEMENT OF FINANCIAL POSITION

AS AT 31 OCTOBER 2018

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		2018		2017 as restated	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Property, plant and equipment	12		261,119		122,402
Investments	13		240,990		239,988
			<u>502,109</u>		<u>362,390</u>
<b>Current assets</b>					
Trade and other receivables	15	2,813		13,380	
Cash at bank and in hand		360,343		233,237	
		<u>363,156</u>		<u>246,617</u>	
<b>Current liabilities</b>	16	(132,867)		(262,778)	
Net current assets/(liabilities)			<u>230,289</u>		<u>(16,161)</u>
<b>Total assets less current liabilities</b>			732,398		346,229
<b>Non-current liabilities</b>	17		(144,174)		(7,875)
<b>Net assets</b>			<u>588,224</u>		<u>338,354</u>
<b>Income funds</b>					
Unrestricted funds			588,224		338,354
			<u>588,224</u>		<u>338,354</u>

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# ARDRISHAIG COMMUNITY TRUST

## STATEMENT OF FINANCIAL POSITION (CONTINUED)

**AS AT 31 OCTOBER 2018**

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The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 October 2018.

The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for 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 incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Directors on 29 JULY 2019



Mr Edward Laughton

**Trustee**

**Company Registration No. SC344641**

# ARDRISHAIG COMMUNITY TRUST

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2018

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### 1 Accounting policies

#### Charity information

Ardishaig Community Trust is a private company limited by guarantee incorporated in Scotland. The registered office is .

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the the trust's [governing document], the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) 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 (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The the trust is a Public Benefit Entity as defined by FRS 102.

The the trust has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the the trust. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the the trust has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the directors in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the the trust.

#### 1.4 Incoming resources

Income is recognised when the the trust is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the the trust has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the the trust has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Where it is possible to identify payment for services received in advance, such payments are recognised as deferred income.

# ARDRISHAIG COMMUNITY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2018

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### 1 Accounting policies

(Continued)

Income received for the hire of the North Church Hall and Public Hall is recognised at the time the service becomes final, usually upon receipt of payment from third parties.

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

#### 1.5 Resources expended

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure. All costs have been directly attributed to one of the Charity Activities as expended on the SOFA.

Support and governance costs have been allocated to various charitable activities on a basis for which the directors believe is representative of each activities relative share of costs.

#### 1.6 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings	Nil
Plant and machinery	20% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

The cost of Land (£6,000), the North Church Hall (£88,603) and Office space (£25,780) are held at purchase costs of which the directors believe represents the fair value of the assets as at the balance sheet date.

The fair value of the Public Hall and associated equipment has been assessed by the directors to be £140,000 at the balance sheet date.

#### 1.7 Non-current investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the the trust. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

#### 1.8 Impairment of non-current assets

At each reporting end date, the the trust reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

# ARDRISHAIG COMMUNITY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2018

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### 1 Accounting policies

(Continued)

#### 1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.10 Financial instruments

The trust has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the trust's balance sheet when the trust becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

##### **Basic financial assets**

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including trade and other payables and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the trust's contractual obligations expire or are discharged or cancelled.

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

# ARDRISHAIG COMMUNITY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2018

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### 2 Critical accounting estimates and judgements

In the application of the the trust's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Donations

	Unrestricted funds	Total
	2018	2017
	£	£
Donations and gifts	161,904	35,559
Donated facilities - Public Hall	140,000	-
Other	7,140	-
	<u>309,044</u>	<u>35,559</u>

Donations of £112,939 (2017: £77,704) were received from Ardrishaig Renewable Energies Ltd, a company that is wholly owned by Ardrishaig Community Trust. This donation includes donations made under Gift Aid where applicable.

#### Donated facilities - Public Hall

On 29 March 2018 ownership of the Ardrishaig Public Hall was officially transferred to the Trust from the former entity (Ardrishaig Public Hall) for no consideration. The Trust, under Charity Law and applicable accounting standards, has to account for this transfer as a donation at the fair value of the property at this date.

Cash of £48,965 was received from the former committee and has been included as a donation at note 3.

# ARRDRISHAIG COMMUNITY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2018

### 4 Charitable activities

	North and Public Hall development	Robbers Den	Total 2018	Total 2017
	2018	2018	£	£
	£	£	£	£
Performance related grants	-	38,320	38,320	10,590
Charitable rental income	2,095	-	2,095	3,451
Other income	-	105	105	61
	<u>2,095</u>	<u>38,425</u>	<u>40,520</u>	<u>14,102</u>
Analysis by fund				
Unrestricted funds	2,095	105	2,200	3,512
Restricted funds	-	38,320	38,320	10,590
	<u>2,095</u>	<u>38,425</u>	<u>40,520</u>	<u>14,102</u>
<b>For the year ended 31 October 2017</b>				
Unrestricted funds	3,451	61	3,512	3,512
Restricted funds	-	10,590	10,590	10,590
	<u>3,451</u>	<u>10,651</u>	<u>14,102</u>	<u>14,102</u>

# ARDRISHAIG COMMUNITY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2018

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5 Investment income (including corporate gift aid)

	Unrestricted funds	Total
	2018 £	2017 £
Interest receivable	202	183
	<u>202</u>	<u>183</u>



# ARRDRISHAIG COMMUNITY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 OCTOBER 2018

#### 6 Charitable activities

	ACTION fund	North and Public Hall development	Youth Development	Christmas Lights	Community Regeneration	Robbers Den	KGV Football Pitch	Total 2018	Total 2017
	£	£	£	£	£	£	£	£	£
Direct costs incurred in meeting charity objectives	-	24,370	-	1,074	3,885	46,615	6,052	81,996	24,069
Grant funding of activities (see note 7)	6,582	-	-	-	-	-	-	6,582	500
Share of support costs (see note 8)	387	6,569	-	63	228	2,738	355	10,340	7,788
Share of governance costs (see note 8)	147	545	-	24	87	1,042	135	1,980	1,911
	7,116	31,484	-	1,161	4,200	50,395	6,542	100,898	34,268
<b>Analysis by fund</b>									
Unrestricted funds	7,116	31,484	-	1,161	4,200	12,075	6,542	62,578	
Restricted funds	-	-	-	-	-	38,320	-	38,320	
	7,116	31,484	-	1,161	4,200	50,395	6,542	100,898	
<b>For the year ended 31 October 2017</b>									
Unrestricted funds	500	8,087	1,370	1,096	5,095	7,530	-	23,678	
Restricted funds	-	-	-	-	-	10,590	-	10,590	
	500	8,087	1,370	1,096	5,095	18,120	-	34,268	

# ARDRISHAIG COMMUNITY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2018

### 7 Grants payable

	2018 £	2017 £
Grants to institutions:		
Mid Argyll Music Festival	50	-
Ardrishaig Primary School	214	500
Lochgilphead Soccar Centre	5,000	-
Mid Argyll Arts	250	-
Redstar	250	-
Armistice Remembrance	818	-
	<u>6,582</u>	<u>500</u>

#### Commitments

At the balance sheet date, the Trust have made grant commitments to one cause totaling £15,448 (2017 - £11,500). These commitments have not been provided for in these accounts.

### 8 Support costs

	Support costs £	Governance costs £	2018 £	2017 £
Depreciation	1,283	-	1,283	504
Repairs and maintenance	3,362	-	3,362	1,966
Heat and light	1,640	-	1,640	1,475
Insurance	1,950	-	1,950	2,715
Subscriptions	381	-	381	100
Postage, stationary and advertising	705	-	705	886
Clyde Fishermen's Association / General	1,000	-	1,000	142
Bank charges	19	-	19	-
Accountancy	-	1,980	1,980	1,896
Secretarial costs	-	-	-	15
	<u>10,340</u>	<u>1,980</u>	<u>12,320</u>	<u>9,699</u>
Analysed between				
Charitable activities	<u>10,340</u>	<u>1,980</u>	<u>12,320</u>	<u>9,699</u>

Governance costs includes payments of £1,980 (2017- £1,896) for accountancy services.

### 9 Directors

None of the directors (or any persons connected with them) received any remuneration during the year, however four were reimbursed a total of £2,617 (2017: 2 directors totalling £100) for expenses.

# ARDRISHAIG COMMUNITY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2018

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### 10 Employees

There were no employees during the year.

### 11 Net gains/(losses) on investments

	Unrestricted funds	Total
	2018 £	2017 £
Revaluation of investments	1,002	131,508

### 12 Property, plant and equipment

	Land and buildings £	Plant and machinery £	Total £
<b>Cost</b>			
At 1 November 2017	120,383	5,593	125,976
Additions	135,605	4,395	140,000
At 31 October 2018	255,988	9,988	265,976
<b>Depreciation and impairment</b>			
At 1 November 2017	-	3,574	3,574
Depreciation charged in the year	-	1,283	1,283
At 31 October 2018	-	4,857	4,857
<b>Carrying amount</b>			
At 31 October 2018	255,988	5,131	261,119
At 31 October 2017	120,383	2,019	122,402

### 13 Fixed asset investments

# ARDRISHAIG COMMUNITY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2018

13 Fixed asset investments		(Continued)	
			Other investments
<b>Cost or valuation</b>			
At 1 November 2017			239,988
Valuation changes			1,002
			<u>240,990</u>
At 31 October 2018			240,990
<b>Carrying amount</b>			
At 31 October 2018			240,990
			<u>240,990</u>
At 31 October 2017			239,988
			<u>239,988</u>
		<b>2018</b>	<b>2017</b>
Other investments comprise:	<b>Notes</b>	<b>£</b>	<b>£</b>
Investments in subsidiaries	20	240,990	239,988
		<u>240,990</u>	<u>239,988</u>
<b>14 Financial instruments</b>		<b>2018</b>	<b>2017</b>
		<b>£</b>	<b>£</b>
<b>Carrying amount of financial assets</b>			
Debt instruments measured at amortised cost		1,584	12,174
		<u>1,584</u>	<u>12,174</u>
<b>Carrying amount of financial liabilities</b>			
Measured at amortised cost		277,041	270,653
		<u>277,041</u>	<u>270,653</u>
<b>15 Trade and other receivables</b>		<b>2018</b>	<b>2017</b>
		<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>			
Amounts owed by subsidiary undertakings		1,584	1,584
Other receivables		-	10,590
Prepayments and accrued income		1,229	1,206
		<u>2,813</u>	<u>13,380</u>
		<u>2,813</u>	<u>13,380</u>

# ARDRISHAIG COMMUNITY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2018

### 16 Current liabilities

	2018 £	2017 £
Amounts owed to subsidiary undertakings	130,887	259,140
Other payables	-	1,575
Accruals and deferred income	1,980	2,063
	<u>132,867</u>	<u>262,778</u>

### 17 Non-current liabilities

	2018 £	2017 £
Amounts owed to subsidiary undertakings	144,174	-
Other payables	-	7,875
	<u>144,174</u>	<u>7,875</u>

### 18 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 November 2017 £	Movement in funds		Balance at 31 October 2018 £
		Incoming resources £	Resources expended £	
Scottish National Heritage	-	38,320	(38,320)	-
	<u>-</u>	<u>38,320</u>	<u>(38,320)</u>	<u>-</u>

### 19 Related party transactions

The following amounts were outstanding at the reporting end date:

	Amounts owed to related parties	
	2018 £	2017 £
Entities over which the entity has control, joint control or significant influence	111,668	88,627
	<u>111,668</u>	<u>88,627</u>

Due to the refinancing of the loan within Allt Dearg Wind Farmers LLP on 3 October 2017, a further advance of £83,334 was received by Ardrishaig Renewable Energies Ltd which was subsequently loaned to the Trust under the same terms as the initial advance.

# ARDRISHAIG COMMUNITY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2018

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### 20 Subsidiaries

These financial statements are separate Trust financial statements from Ardrishaig Renewable Energies Ltd (ARE) which is an intermediate holding company for the investment in ADWF.

Details of the the trust's subsidiaries at 31 October 2018 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Ardrishaig Renewable Energies Ltd	Scotland	Investment company	Ordinary	100.00	

The investment in the subsidiary is stated at its fair value which is deemed to be its Net Asset value as at 31 October 2018. The Net Asset value excludes any uplift in the underlying fair value of the subsidiary's interest in Allt Dearg Wind Farmers LLP (ADWF). The subsidiary's net investment in ADWF is included at £73,316 which the directors consider is representative of its Fair Value under the profit sharing arrangement between the parties.

### 21 Prior year adjustment

The accounts include restated balances for 2017 in respect to donations that were received by the Trust from its subsidiary company Ardrishaig Renewable Energies Ltd ("ARE"). Donations were previously recognised in the accounts on a cash basis, as opposed to the Trusts entitlement to pre-tax profits available for distribution as Gift-Aid.

As such, the following adjustments have been made to the accounts as follows:

#### 2017 figures only:

Note 3 - Donations: revised downward from £77,789 to £35,559 to reflect gift-aided profit of £35,494 received from ARE.

Note 11 - Net gains on investments: revised upwards from (£38,885) to £131,508 to reflect the Fair Value of the subsidiary after taking into account advanced gift-aid (Note 16).

Note 13 - Fixed asset investments: revised upwards from £69,595 to £239,988 to reflect the Fair Value of the subsidiary after taking into account advanced gift-aid (Note 16).

Note 16 - Current liabilities (Amounts owed to subsidiary undertakings) - revised upwards from £88,607 to £259,140. The upwards revision reflects a cumulative balance of £170,533 of cash advanced to the trust (and sitting as cash reserves in the bank accounts) from ARE from distributions received from Allt Dearg Wind Farmers LLP to ARE. This balance will unwind as future distributions from ARE to the Trust are made to ensure all taxable profit in the subsidiary is gift-aided.