

REGISTERED COMPANY NUMBER: 285959 (Scotland)
REGISTERED CHARITY NUMBER: SC032387

**Report of the Trustees and
Unaudited Financial Statements For The Year Ended 30 June 2008
for
Sgoil an Iochdair agus A'Chòimhearsnachd**

DRAFT

Campbell Stewart MacLennan & Co
Chartered Accountants
8 Wentworth Street
Portree
Highland
IV51 9EJ

Sgoil an Iochdair agus A'Chòimhearsnachd

**Contents of the Financial Statements
for the Year Ended 30 June 2008**

	Page
Report of the Trustees	1 to 2
Independent Examiner's Report	3
Statement of Financial Activities	4
Balance Sheet	5
Notes to the Financial Statements	6 to 9
Detailed Statement of Financial Activities	10

DRAFT

Sgoil an lochdair agus A'Chòimhearsnachd

Report of the Trustees for the Year Ended 30 June 2008

The trustees who are also directors of the charity for the purposes of the Companies Act 1985, present their report with the financial statements of the charity for the year ended 30 June 2008. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

285959 (Scotland)

Registered Charity number

SC032387

Registered office

The Old Schoolhouse
lochdair
South Uist
Western Isles
HS8 5RQ

Trustees

J H Warner

M Bremner

N J W MacIntyre

R MacPhee

A Campbell

S MacAulay

- appointed 19.6.08

- appointed 19.6.08

Company Secretary

Dr S K Dawson

Independent Examiner

Campbell Stewart MacLennan & Co
Chartered Accountants
8 Wentworth Street
Portree
Highland
IV51 9EJ

Bankers

Bank of Scotland
Balivanich
Isle of Benbecula
HS7 5LA

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Sgoil an lochdair agus a'Chòimhearsnachd was incorporated as a company limited by guarantee on 9 June 2005, on which date it acquired the entire assets and liabilities of Sgoil an lochdair agus a'Chòimhearsnachd, an unincorporated body. The trust was established under a Memorandum of Association which established the objects and powers of the charitable company and it is governed by its Articles of Association. In the event of the trust being wound up, each member may be required to contribute up to £1. The company is recognised as a Scottish charity under reference SC032387.

Recruitment and appointment of new trustees

Membership is open to all individuals and organisations, with the exception of employees of the trust. Individuals aged 18 or over living in, or a member of an amateur sports or recreational organisation in, the catchment area of the lochdair School are eligible for membership as ordinary members. All other individuals and organisations may become associate members; such members are neither eligible to stand for election to the Board nor to vote at any general meeting.

Subject to the conditions set out in the Articles of Association, the board shall consist of up to three elected trustees, up to three appointed trustees and up to one co-opted trustee, appointed at the AGM. The board may fill any vacancy arising as a result of a retirement until the next AGM.

All trustees and ordinary members, who have paid their current subscription fee, are entitled to take part in any general meetings and each have one vote. The chairperson has an additional casting vote when necessary.

Sgoil an lochdair agus A'Choirhearsnachd

Report of the Trustees for the Year Ended 30 June 2008

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The board of trustees currently manage the trust.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The object of the trust is to support recreation and sport in the catchment area of the lochdair school, in particular:

- to promote interest and participation in sport, and related recreations in the catchment area of the lochdair School, especially in the interests of education, social welfare and health.
- to assist in the coordination of various sports clubs and recreational organisations operating in the catchment area, both generally and in relation to specific projects.
- to examine the available sports and recreation facilities in the lochdair area as against current and anticipated need and to make application to the local council, local enterprise trust and any other appropriate body in this connection.
- to liaise with the council's sports development staff in furtherance of these objects.
- to raise funds for such charitable purposes as the association may deem appropriate.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Upgrading of the playing fields at lochdair school was completed and the major features of the project brought into use at the start of the year. We are now in a period where we are assessing whether the project has been successful. We have a few snags to sort out, but the playground and playing fields have been transformed.

The Croileagan play area has proved to be a sheltered and stimulating place to play, and is well used both by the croileagan, and by toddlers visiting at other times. The ball court is a fantastic resource, allowing pupils to play football and basket ball without the risk of breaking windows or knocking over smaller pupils. However, it is a little under-used at present, as it is still exposed to the north, waiting for the tree-planting areas to come into their own. The installation of wind-break fencing commenced in the year, with funding from Awards for All, and it is hoped this will reduce the exposure.

FINANCIAL REVIEW

Reserves policy

The trustees have examined the requirement for free reserves which are those unrestricted funds not invested in fixed assets, designated for specific purposes or otherwise committed but do not yet have a formal policy in place. At the balance sheet date the trust held unrestricted funds of £6,632 (2007 - £7,229). As funding is sought for projects before they commence, the trustees consider the present level of reserves to be sufficient given the nature of their activities.

FUTURE DEVELOPMENTS

The trust's main aim remains to improve opportunities for outdoor activities for children and adults living in the catchment area of lochdair School. Some of the forthcoming projects include:

- Football pitch improvements at lochdair Hall
- Changing facilities at lochdair Hall
- Parking facilities at lochdair Hall
- Interpretative signage for walks
- Sculpture / outdoor art installation
- Griminish Play Park
- Creagorry Play Park
- Adventure trails through the trees once established
- Walks and footpaths

ON BEHALF OF THE BOARD:

.....
Dr S K Dawson - Secretary

Date:

**Independent Examiner's Report to the Trustees of
Sgoil an Iochdair agus A'Chòimhearsnachd**

I report on the accounts for the year ended -30 June 2008 set out on pages four to nine.

Respective responsibilities of trustees and examiner

The charity's trustees 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 charity's trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the Accounts Regulations does not apply. It is ~~our~~-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 ~~our~~-my attention.

Basis of the independent examiner's report

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 seeking explanations from you as 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 connection with 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 Accounts Regulations; and
 - to prepare accounts which accord with the accounting records and to comply with Regulation 8 of the 2006 Accounts Regulations

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Faye MacLeod CA
Campbell Stewart MacLennan & Co
Chartered Accountants
8 Wentworth Street
Portree
Highland
IV51 9EJ

Date:

Sgoil an Iochdair agus A'Chòimhearsnachd

Statement of Financial Activities
for the Year Ended 30 June 2008

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	30.6.08 Total funds £	30.6.07 Total funds £
INCOMING RESOURCES						
Incoming resources from generated funds						
Voluntary income		1,084,082	(2)-	-	1,082	1,684
Activities for generating funds	2	-	-	-	-	1,715
Investment income	3	1,040	-	-	1,040	1,899
Incoming resources from charitable activities						
Projects		<u>322,324</u>	<u>24,944,942</u>	-	<u>25,266</u>	<u>133,256</u>
Total incoming resources		2,446	24,942	-	27,388	138,554
RESOURCES EXPENDED						
Costs of generating funds						
Fundraising trading: cost of goods sold and other costs		-	-	-	-	25
Charitable activities						
Projects		965	11,222	-	12,187	11,848
Governance costs		<u>1,733</u>	-	-	<u>1,733</u>	<u>1,058</u>
Total resources expended		2,698	11,222	-	13,920	12,931
NET INCOMING/(OUTGOING) RESOURCES						
		(252)	13,720	-	13,468	125,623
RECONCILIATION OF FUNDS						
Total funds brought forward		<u>7,229</u>	<u>202,638</u>	<u>8,219</u>	<u>218,086</u>	<u>92,463</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>6,977</u></u>	<u><u>216,358</u></u>	<u><u>8,219</u></u>	<u><u>231,554</u></u>	<u><u>218,086</u></u>

The notes form part of these financial statements

Sgoil an Iochdair agus A'Chòimhearsnachd

**Balance Sheet
At 30 June 2008**

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	30.6.08 Total funds £	30.6.07 Total funds £
FIXED ASSETS						
Tangible assets	6	8,043	188,177	8,219	204,439	204,446
CURRENT ASSETS						
Debtors	7	33	-	-	33	26
Cash at bank		<u>341</u>	<u>28,218</u>	<u>-</u>	<u>28,559</u>	<u>15,035</u> <u>14,672</u>
		374	28,218	-	28,592	15,061 14,698
CREDITORS						
Amounts falling due within one year	8	<u>(1,440)</u>	<u>(37)</u>	<u>-</u>	<u>(1,477)</u>	<u>(1,058)</u> <u>424</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>(1,066)</u>	<u>28,181</u>	<u>-</u>	<u>27,115</u>	<u>13,640</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>6,977</u>	<u>216,358</u>	<u>8,219</u>	<u>231,554</u>	<u>218,086</u>
NET ASSETS		<u>6,977</u>	<u>216,358</u>	<u>8,219</u>	<u>231,554</u>	<u>218,086</u>
FUNDS	10					
Unrestricted funds					6,977	7,229
Restricted funds					216,358	202,638
Endowment funds					<u>8,219</u>	<u>8,219</u>
TOTAL FUNDS					<u>231,554</u>	<u>218,086</u>

The charitable company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 30 June 2008.

The trustees have not required the charitable company to obtain an audit of its financial statements for the year ended 30 June 2008 in accordance with Section 249B(2) of the Companies Act 1985.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Section 221 of the Companies Act 1985 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective January 2007).

The financial statements were approved by the Board of Trustees on and were signed on its behalf by:

.....

The notes form part of these financial statements

DRAFT

Sgoil an lochdair agus A'Choirhearsnachd

Notes to the Financial Statements for the Year Ended 30 June 2008

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standards for Smaller Entities (effective January 2007), the Companies Act 1985 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Grants, where entitlement is not conditional on the delivery of a specific performance by the trust, are recognised when the trust becomes unconditionally entitled to the grant. Long-term membership subscriptions are recognised in full on receipt.

Donations in kind are valued at cost, or the trustees estimation thereof, in the period in which the goods or services are received.

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under appropriate headings which aggregate all relevant costs. Where expenditure cannot be directly attributed to particular headings it has been allocated to activities on a basis consistent with the use of resources.

The trust is not registered for VAT purposes and costs therefore include the irrecoverable element of VAT with the item of expenditure to which it relates.

Charitable expenditure comprises those costs incurred by the trust in the delivery of its activities and services to beneficiaries. It includes both costs that can be directly allocated to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the trust and include accountancy fees and costs relating to the strategic management of the trust.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Land and buildings	- not provided
Plant and machinery etc	- 15% on reducing balance and - 2% on cost

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Operating lease commitments

Rental payments due under operating lease contracts are charged to the SOFA as incurred. Lease commitments at the balance sheet date are disclosed in the notes to the accounts.

2. ACTIVITIES FOR GENERATING FUNDS

	30.6.08	30.6.07
	£	£
Fundraising events	-	<u>1,715</u>

3. INVESTMENT INCOME

	30.6.08	30.6.07
	£	£
Interest	<u>1,040</u>	<u>1,899</u>

Sgoil an Iochdair agus A'Chomharsnachd

Notes to the Financial Statements - continued
for the Year Ended 30 June 2008

4. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

	30.6.08	30.6.07
	£	£
Depreciation - owned assets	<u>10,628</u>	<u>10,687</u>

5. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 June 2008 nor for the year ended 30 June 2007.

Trustees' Expenses

There were no trustees' expenses paid for the year ended 30 June 2008 nor for the year ended 30 June 2007.

6. TANGIBLE FIXED ASSETS

	Land and buildings £	Plant and machinery etc £	Totals £
COST			
At 1 July 2007	8,968	206,165	215,133
Additions	<u>-</u>	<u>10,621</u>	<u>10,621</u>
At 30 June 2008	<u>8,968</u>	<u>216,786</u>	<u>225,754</u>
DEPRECIATION			
At 1 July 2007	-	10,687	10,687
Charge for year	<u>-</u>	<u>10,628</u>	<u>10,628</u>
At 30 June 2008	<u>-</u>	<u>21,315</u>	<u>21,315</u>
NET BOOK VALUE			
At 30 June 2008	<u>8,968</u>	<u>195,471</u>	<u>204,439</u>
At 30 June 2007	<u>8,968</u>	<u>195,478</u>	<u>204,446</u>

Land, leasehold improvements and playground equipment purchased with restricted funds are partially subject to donor imposed conditions that such assets may not be disposed of within their specified periods.

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.6.08	30.6.07
	£	£
Other debtors	<u>33</u>	<u>26</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.6.08	30.6.07
	£	£
Bank loans and overdrafts	-	363
Other creditors	<u>1,477</u>	<u>1,058</u>
	<u>1,477</u>	1,421,058

Sgoil an lochdair agus A'Choimhearsnachd

Notes to the Financial Statements - continued
for the Year Ended 30 June 2008

9. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

	30.6.08 £	30.6.07 £
Expiring: In more than five years	<u>1</u>	<u>1</u>

10. MOVEMENT IN FUNDS

	At 1.7.07 £	Net movement in funds £	At 30.6.08 £
Unrestricted funds			
General fund	7,229	(252)	6,977
Restricted funds			
lochdair School playground	200,255	5,981	206,236
Cycle racks	2,083	(313)	1,770
Tree planting maintenance	300	-	300
Fencing	-	8,052	8,052
	<u>202,638</u>	<u>13,720</u>	<u>216,358</u>
Endowment funds			
Land	8,219	-	8,219
	<u>8,219</u>	<u>-</u>	<u>8,219</u>
TOTAL FUNDS	<u>218,086</u>	<u>13,468</u>	<u>231,554</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,446	(2,698)	(252)
Restricted funds			
lochdair School playground	15,943	(9,962)	5,981
Cycle racks	(1)	(312)	(313)
Fencing	<u>9,000</u>	<u>(948)</u>	<u>8,052</u>
	<u>24,942</u>	<u>(11,222)</u>	<u>13,720</u>
TOTAL FUNDS	<u>27,388</u>	<u>(13,920)</u>	<u>13,468</u>

Resources expended against the 'lochdair School playground', 'Cycle racks' and 'Fencing' funds include depreciation of assets purchased with these restricted funds.

'lochdair School playground' funds of £181,035 and 'Fencing' funds of £5,373 were held as fixed assets at the balance sheet date. The remaining amounts are carried forward to be expended on further costs and amounts retained for the defects period. 'Cycle racks' funds have been fully expended and funds represent the net book value of fixed assets purchased with this fund.

'Tree planting maintenance' funds are carried forward to be expended in accordance with the terms of this fund.

Sgoil an Iochdair agus A'Chòimhearsnachd

Notes to the Financial Statements - continued
for the Year Ended 30 June 2008

11. CAPITAL COMMITMENTS

	30.6.08	30.6.07
	£	£
Contracted but not provided for in the financial statements	<u>19,447</u>	<u>-</u>

DRAFT

Sgoil an Iochdair agus A'Chomharsnachd

Detailed Statement of Financial Activities
for the Year Ended 30 June 2008

	30.6.08 £	30.6.07 £
INCOMING RESOURCES		
Voluntary income		
Donations	1,067	1,001
Gift aid	-	172
Membership subscriptions	14	10
Donated services and facilities	<u>1</u>	<u>501</u>
	1,082	1,684
Activities for generating funds		
Fundraising events	-	1,715
Investment income		
Interest	1,040	1,899
Incoming resources from charitable activities		
Grants	<u>25,266</u>	<u>133,256</u>
Total incoming resources	27,388	138,554
RESOURCES EXPENDED		
Fundraising trading: cost of goods sold and other costs		
Commission	-	25
Charitable activities		
Rent	1	1
Website costs	60	451
Opening ceremony	-	350
Grass cutting	1,175	-
Improvements to property	3,192	3,113
Fixtures and fittings	<u>7,436</u>	<u>7,574</u>
	11,864	11,489
Governance costs		
Accountancy	1,733	1,058
Support costs		
Management		
Insurance	308	329
Subscriptions	<u>15</u>	<u>30</u>
	<u>323</u>	<u>359</u>
Total resources expended	13,920	12,931
Net income/(expenditure)	<u><u>13,468</u></u>	<u><u>125,623</u></u>