

REGISTERED COMPANY NUMBER: SC142456 (Scotland)  
REGISTERED CHARITY NUMBER: SC020879

**Report of the Trustees and  
Unaudited Financial Statements for the Year Ended 31 March 2016  
for  
Cothrom**

THURSDAY



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SCT

24/11/2016

#269

COMPANIES HOUSE

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

**Cothrom**

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for the Year Ended 31 March 2016**

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## **Cothrom**

### **Chairman's Report for the Year Ended 31 March 2016**

As an organisation Cothrom continues to go from strength to strength. It has been wonderful this year to see D. MacDonald and Co. on site building the new Recycling/Training Centre and it reminded me that the feasibility document for the new centre was completed many years ago in 2010. It has been a long and often difficult process to find the funding and bring the project to fruition but we look forward to being in the new centre in January 2017 with all learners being able to access their training on the one site in Ormiclate.

Again this year there has been a new course added to Cothrom's portfolio of learning. The SVQ in Horticulture at level 1 & 2 is the latest addition to the programme and 11 students have completed their level 1 this year. Gardening seems to be a focus of our work at the moment and thanks to some funding from the Postcode Community Trust we have been able to revamp the walled garden in Daliburgh. This is a wonderfully peaceful space now that is easily accessible for all so I would encourage you to visit the garden and enjoy the flowers, or if you would prefer, take ownership of an allotment and grow your own vegetables. Help is available for planting, weeding and harvesting when the time comes. At this point I must give our garden volunteers a special mention, they have worked tirelessly over the past year to make Falachan Cothrom such a beautiful thriving garden.

Looking forward I can see that there is still a lot of work to be done and we will be employing additional staff for the ReStore project towards the end of the year if the construction keeps to schedule. Funding is becoming ever more difficult to secure in the current climate, so I say a big thank you to all Directors, Staff and Volunteers for playing their part in maintaining the momentum of the organisation.

In addition we must thank our funders for their continued support and interest in Cothrom and the services it provides to the community.

David Blaney  
Chair

**Report of the Trustees  
for the Year Ended 31 March 2016**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2016. The trustees have adopted the provisions of 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) (effective 1 January 2015).

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

To provide community based learning and training, supported by quality Gaelic childcare, which enables inclusion and encourages full participation in the economic, social and cultural life of the Western Isles.

1. To Provide Support and Learning Opportunities for the local community.
2. To Develop a Sustainable Economic and Environmental Strategy for the Organisation.
3. To Promote the Language and Culture of our local community.
4. To Support the local Community to become more Resilient, Enterprising and Sustainable.

**Volunteers**

Cothrom benefits from a small group of dedicated volunteers who support various aspects of its work. Their contribution to the ReStore project is extremely important and ranges from driving the van, assisting with collections, deliveries and running the shop, undertaking furniture restoration - recycling and upcycling, and carrying out 'odd jobs' as required. Within the training service Volunteer Tutors are matched one-to-one with learners, provide assistance to the contracted Tutors as required, and help to make the adult learning service a flexible provision that meets the needs of all. As appropriate Volunteer Tutors also provide outreach in a particular geographical area. Volunteer gardeners are supporting the development and maintenance of the Cothrom gardens and St Peter's garden in Daliburgh: not only invaluable to the community to increase the engagement and knowledge of growing your own produce as part of Local Food for Local People, but also gaining skills and therapeutic benefits of horticulture.

Volunteers are also an important link to the wider community, helping to raise awareness of Cothrom's aims and activities. This is particularly true of the Directors who also give their time on a voluntary basis to attend Board meetings.

**Report of the Trustees  
for the Year Ended 31 March 2016**

**ACHIEVEMENT AND PERFORMANCE**

**Charitable activities**

**Cothrom Òg 15-16**

Cothrom Òg is the only full time nursery in Uist which is run as a total Gàidhlig immersion facility. The nursery provision can accommodate 36 children at any one time from the ages of 3 months to 5 years. The facility also provides breakfast, after-school and holiday clubs. At the moment we have 13 children who attend. This year we have had low numbers as a result of this we had a deficit which was met by the Childcare Partnership.

We also had a visit from the Care Inspectorate, four areas were inspected:

- Quality of Care - Very Good
- Quality of the Environment - Very Good
- Quality of Staffing - Very Good
- Quality of Management - Very Good

**Activities**

The children enjoy having visitors in the Nursery and this year Lisa Wilson from Museum Nan Eilean came to tell a story to the children using puppets; Linda MacLeod from Comhairle nan Leabhraichean Leugh agus seann (read and sing) visited us recently for a singing and story workshop with the children. Linda taught the children some new action songs and then read them a story, the children really enjoyed her visit. The staff will continue to use the songs in the nursery.

Sue MacDonald the Horticulture Support Worker planted seeds with the children in the Keder. The children will now transfer them into the Falachan Cothrom garden. Through this activity the children have learned about the growing cycle, which is linked to the Health and Well Being outcomes outlined in the Curriculum for Excellence.

The Child Smile staff visited the nursery recently as part of the ongoing project to make children aware of good dental hygiene practices. The children had protective varnish put on their teeth.

**The Play Strategy for Scotland (2013) states:-**

"All children and young people should enjoy high quality play opportunities, particularly outdoor free play in stimulating spaces with access to nature, on a daily basis in school, nursery and early learning and childcare". Therefore a new Mud Kitchen has been a very welcome addition to the children's outdoor area, a big thanks goes to Chris Steele, the volunteers and learners at ReStore for making it for us. Pots and pans have been kindly donated by staff and the children are really enjoying getting dirty.

**Outings**

- The children visited Daliburgh Library where they had a story and were able to choose a book to bring back to the nursery. During the visit the children and staff were invited by Sgoil Araich Dhalabroig to join them for lunch.
- The children helped with the harvesting at the Falachan garden and picked potatoes, carrots and leeks. The next day the children used these vegetables to make soup.
- The new ReStore building has started at last and this is causing great excitement in the nursery. The children are enjoying watching the diggers and the workmen. Later in the schedule they will visit the building to see how the contractors are progressing.

**Staff Training**

Over the course of the year staff attended the following training: - Building the Ambition, Pre-Birth to Three, Gaelic Immersion, First Aid, Food Hygiene, Oh Lila, Numeracy, Setting the Table and Curriculum for Excellence. All staff found the training useful for their professional development. Through attending training, staff are keeping abreast of new legislation which has a positive impact on the service the nursery provides.

**Fundraising**

During the year the older children baked, set the tables and helped to serve at the British Heart Foundation coffee morning. Everyone was involved in a sponsored obstacle course and the money raised will also be going the British Heart Foundation.

The nursery held a Bingo in June and raised a fantastic sum of £787.60. This money will be used to purchase resources and to take the children on trips. We would like to extend a thank you to everyone who attended and donated prices.

The children designed Christmas cards using their hand prints which were sent out to all agencies involved with the nursery. Parents were also able to purchase the cards to send to family members.

**Report of the Trustees  
for the Year Ended 31 March 2016**

**ACHIEVEMENT AND PERFORMANCE**

**Parent's Evening**

In December the nursery held a parent's afternoon which was very well attended by eight parents. We invited some agencies along to provide information on Triple P which is a positive parenting programme, Gaelic, Book bugs sessions which is an interactive storytelling session involving both the child and parent and healthy lunch boxes for children.

**Family Room**

The Family Room continues to be used by visiting professionals such as the Health Visitor, Speech and Language Therapist, Social Work Department and Childsmile. The room is also used for a child's core group meetings. These meetings provide the opportunity for the parents and all agencies involved with the family to come together and develop a plan for the child and their family. This is also where we hold our parent committee meetings every quarter. At the moment we have four parents on our committee, but there is room for more so please contact the Nursery if you would like to be involved. The room has also been used for Play at Home Sessions encouraging parents to form an attachment with their children.

**"Parents tell us that having their child attend their health checks here with a staff member is a great help to them as they do not need to take time off work to attend these check".**

**Cothrom ReStore 15-16**

The past year for ReStore was busy as usual with donations remaining at a high level and many customers using the shop. This year the shop sales, repair and return and bespoke build sales remained steady at £15,737. The income from the textile recycling however has dropped by over 50% from last year reflecting the downturn in the interest in this area globally. Although a great deal of time has gone into researching new routes for textile recycling it would seem that the market has decreased enormously.

Learners and Volunteers have access to a variety of opportunities at ReStore from work in the shop and workshop to deliveries and collections. They can learn skills in Health and Safety, customer service, woodworking and varnishing and creative paint finishes. In the past year, over 20 practical training places were available to learners throughout the different areas of operation.

**Pre-Christmas Fayre - 'Pop Up Shop'**

This event was held in November over 3 days and included a chance to try upcycling furniture and see some of the stock set out in room designs. For the younger age group face painting was available rather than furniture painting! Designed as a community engagement exercise to promote ReStore, it also gave members of the community a chance to see the plans for the new centre and give us some feedback. Partners in attendance included Buth Bharraigh and the local SHARE thrift shop.

In partnership with FilmG the learners recorded a film of the event and what ReStore meant to them. The film was nominated in two categories in the Film G awards and is available to view at <http://filmg.co.uk/en/films/filmg2016/winners-shortlists/open>

**Falachan Cothrom**

This year the ReStore volunteers have been very involved in giving the garden in Daliburgh a much needed makeover. With funding from Peoples Postcode Trust pathways and a patio area were laid; a new shed was erected for shelter and storage; bespoke seating was created under one of the established trees; large raised bed created from recycled fish farm walkway; a specially designed wooden gate was commissioned, in partnership with Father Donald, and erected to make the garden secure. All this would not have been possible with the dedication and hard work of learners, volunteers and staff. The garden is a lovely place to sit and contemplate life and we would welcome the community to visit whenever they like. Allotments are available to encourage vegetable growing so please contact the Ormiclate Learning Centre if you are interested. Support will be available with ground preparation, choosing the best plants, watering and ongoing weeding until you can enjoy the final harvest.

**Highlights**

- Development of a product catalogue which is available and updated regularly on our website, [www.cothrom.net](http://www.cothrom.net) or follow us on face book to keep up to date on the latest stock
- Vintage upcycling developed and items displayed in local cafe during the summer season. This helped with our storage issue and also brought the furniture to the attention of a wider audience
- AGM/Open day awareness raising on furniture restoration
- The Henry Smith Charity committed the full funding package of £36,730 completing the revenue funding for the project
- New centre construction start on 7th March 2016

**Thanks to our Volunteers and all those who donate textiles and furniture to the project throughout the year, without you the project would not be able to continue.**

**Report of the Trustees  
for the Year Ended 31 March 2016**

**ACHIEVEMENT AND PERFORMANCE**  
**Cothrom Training 15-16**

The number of learners accessing the Adult Learning Service for 2015/16 was 98, with 67 of them being new to the service. The learners are accessing a variety of courses from driving theory support; preparatory tuition for CSCS card; core skill qualifications in numeracy and communication; personal development units; basic computing and many more. From the youngest learner at 15 to the eldest at over 80, it shows that there is always a place in learning for each of us.

Helen MacKinnon has been busy in her role of Adult Learning Tutor in the Barra Office and has supported learners to progress to Modern Apprenticeships, Further Education and into local employment. The office is open Mondays and Thursdays 9.30am to 2.30pm, but Helen is flexible with her time so is always willing to alter to fit the learner's needs. All the training courses available in the Ormiclate Learning Centre can be delivered in Barra, and during this year, there is 1 student undertaking the SVQ in Business and Administration Level 3 as part of their Modern Apprenticeship with Buth Bharraigh.

Congratulations were in order for staff within the Adult Learning Service when Maria MacDonald, Susan Walker and Helen MacKinnon successfully completed the SQA accredited award in the Introductory Training in Adult Learning Literacies (ITALL). The service also benefitted from the tutoring experience of Mary Vaughn who helped out during a particularly busy period and her mathematic skills were a welcome bonus.

Skills Development Scotland Individual Learning Accounts (ILAs) can provide up to £200 towards the cost of employability focused learning or training, and are a great way to improve your skills and move into, or up, in the workplace. A number of learners have applied for ILAs and are now studying PC Passport at Intermediate and Advanced levels. This course gives you an excellent underpinning knowledge of Microsoft programmes and the practical skills to complete administrative tasks.

16 ESOL learners continue to be supported either through attendance at the Ormiclate Learning Centre or at the weekly classes held in Balivanich Hall. New learners have continued to join the beginner and intermediate groups, as they find this is a great way to improve their spoken and written English. 8 learners have progressed to completing SQA accredited qualifications and 4 are focused on Citizenship.

Cothrom Adult Learners Forum (CALF) continues to meet regularly in the Learning Centre to discuss any issues they may have and have their say on what they would like to happen within the service. Some of the Cothrom Learners travelled to Stornoway to meet with the Western Isles Learners Forum (WILF) in the Stornoway Learning Shop. This was a great way for all learners to meet so that they could share experiences, and work together to promote and develop learning provision in the Western Isles. Since then both groups have had meetings through Skype and this has become a fun way to keep in touch. CALF is busy fundraising for a trip to Barra to meet the learners there and is now on target to go in April.

'Learning on the Edge' Adult Literacies in the Western Isles, the Annual Report jointly produced by Cothrom and the Learning Shop, CnES, was circulated in August 2015. This included personal stories of the learning journey for learners who attend the Ormiclate Learning Centre and the Stornoway Learning Shop. Hard copies are still available at the Ormiclate Learning Centre so please feel free to pick up a copy.

Learners continue to be involved in the progress of the small social enterprise called strupag@cothrom that was developed in 2012. This has allowed them to increase their skills, meet new people and for some of them to progress onto work experience outwith Cothrom. This is open on Wednesdays, from 1pm to 3pm, for tea, coffee and homemade cake and fits in well with a visit to the Post Office which is open in the Centre from 2pm to 4pm. The learners love meeting and greeting customers and this is an excellent way for them to increase their self-confidence and customer service skills.

Hebridean Gardeners, a new partnership between Cothrom Ltd and Lews Castle College UHI has reaped rewards with 11 students achieving an SVQ in Horticulture at Level 1. This training was part of the Climate Challenge funded Local Food for Local People project which encourages the growing of more local produce on the island of Uist. This was certainly achieved by the 11 students taking part, through their hard work cultivating their own gardens and allotments, "Falachan Cothrom" the community garden in Daliburgh and Tagasa Uibhist Horticultural Project. The next cohort of Hebridean Gardeners will benefit from the new keder house, provided through the Climate Challenge Fund, at the Ormiclate Learning Centre and it is already green with healthy seedlings waiting to be planted on. More information and pictures can be seen at <http://www.cothrom.net/Horticulture.htm>

Modern Apprenticeships were completed by 8 students in Business & Administration, Hospitality Supervision & Leadership and Social Services (Children & Young People). Feedback from the Employers and Students involved has been positive with employers recognising that these qualifications are an excellent way to prove knowledge and understanding in a particular sector. It was found that students could play a stronger role in the businesses' operation once the MA had been achieved. Early 2016 saw another first for Cothrom with 6 candidates completing the SVQ in Social Services and Healthcare at Level 2 and 3. This qualification was delivered in partnership with Tagasa Uibhist Care and has given staff the certification to meet the Scottish Social Services Council (SSSC) registration requirements.

**Report of the Trustees  
for the Year Ended 31 March 2016**

**ACHIEVEMENT AND PERFORMANCE**

The Employability Fund (EF) programme funded by Skills Development Scotland continues to be delivered in partnership with Comhairle nan Eilean Siar (Accredited Training & Skills) and Lews Castle College. This programme is aimed at providing employability skills, work experience and sector-specific qualifications. 54 participants engaged in this programme throughout the Western Isles with over 80% progressing to further training, apprenticeships and employment. The programme is offered at three stages with Stage 2 for Core skills, employability and personal development; Stage 3 for Employability, Vocational and Job Training and Stage 4 for Pre-employment job specific training and support. Cothrom supported 18 participants on the EF programme with the following positive outcomes to date: - 8 into employment; 3 gained Modern Apprenticeships; 1 progressed to Further Education; and 1 started his own business.

The Young Start project, a 2-year mentoring programme started in October 2015 has been significantly involved in supporting a young person to start his own business. This project offers mentoring support to young people aged 16 to 24 so that they can achieve their goals, become more confident and improve health and well-being. Successful training has already been delivered for 23 S5 pupils at Sgoil Lionacleit who will buddy P7 pupils to help with their transition to secondary school. The feedback from the Principal Teacher Learning Support: "A huge thank you for delivering an excellent session for S5 this morning. It was a very positive session and we look forward to meeting you again to evaluate how the buddies are getting on." If you are interested in becoming a mentor within the project please contact the Learning Centre for more information.

**FINANCIAL REVIEW**

**Principal funding sources**

Comhairle nan Eilean Siar  
Skills Development Scotland  
Highlands and Islands Enterprise  
The Childcare Partnership  
Alcohol and Drugs Partnership  
The Robertson Trust  
Royal Bank of Scotland  
LandAid Charitable Trust  
Peoples Postcode Trust  
Lews Castle College  
Big Lottery Fund  
Scottish Government  
Storas Uibhist  
Climate Challenge Fund

**Reserves policy**

The Trustees regularly review the level of reserves to ensure that they are suitable for the planned activity and have examined the requirement to retain free reserves, which are those unrestricted funds not invested in fixed assets, designated to a specific purpose or otherwise committed and these stood at £118,701 at 31 March 2016 (2015 - £91,780) which the directors consider adequate to maintain operational capacity for the foreseeable future.

In the view of the Trustees it is appropriate to hold at least three months running costs to protect the interests of the charity and its employees. The Trustees therefore consider that the appropriate minimum level of reserves required to be £80,000.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

**Recruitment and appointment of new trustees**

Cothrom is a membership organisation of over 600, most of whom live in Uists and Barra. It is from this membership that Directors are elected each year at the AGM.

**Organisational structure**

The board of trustees are responsible for approving and reviewing budgets, developing the charity's long term strategy/policies and monitoring the charity's financial position. Employees are responsible for the day-to-day operations of the charity.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**

SC142456 (Scotland)



**Report of the Trustees  
for the Year Ended 31 March 2016**

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Charity number**  
SC020879

**Registered office**

Ormiclate  
South Uist  
Western Isles  
HS8 5SB

**Trustees**

D Blaney  
G Wells  
S J MacLean  
L MacLeod  
I F MacDonald  
A Campbell

Retired Bank Officer  
Gaelic Development Sabhal Mor Ostaig - resigned 10/09/2015  
Small Business Owner  
Finance Administration, Storas Uibhist/Former Learner  
Retired HIE Development Manager/Accountant  
Chairperson of Share/Daliburgh

**Company Secretary**

Mrs B MacDonald

**Independent examiner**

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

**Report of the Trustees  
for the Year Ended 31 March 2016**

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Staff Full-time**

Barbara MacDonald  
Agnes MacDonald  
Marion Matheson  
Christopher Steele  
Martin Davies

Manager  
Training Co-ordinator  
Support Worker/SVQ Tutor/Peripatetic Nursery Manager  
Recycling Assistant  
ReStore Development Officer

**Staff Part-time**

Lynne Thomson  
Sheena MacMillan  
Morag MacKinnon  
Paula MacInnes  
Jessie MacPhee  
Thomas Fisher  
Maria MacDonald  
Helen MacKinnon  
Laura Donker  
Sue MacDonald  
Olivia MacLellan  
Finlay Aucott  
Jeanne Wightman  
Chris Campbell  
Shona MacIntyre

Finance Administrator  
Modern Apprentice Admin  
Deputy Nursery Manager  
Nursery Assistant  
Nursery Assistant  
Young Start Project Leader  
Adult Learning Tutor  
Adult Learning Tutor  
Horticulture Tutor  
Horticulture Tutor  
Horticulture Tutor  
Modern Apprentice Horticulture  
Health and Social Care Tutor  
Recycling Assistant  
Cleaner

**Freelance Staff**

Janice Mackay  
Mary Morrison  
Catherine MacInnes  
Suzanne Simpson  
Mary Vaughan  
Susan Walker  
Mairi Thomson  
Pauline Buchanan  
Adina Andrei  
Marion MacInnes

**Volunteers**

Iain Dingwall  
Tom Rankin  
Roddy Bowie  
Robert MacIntyre  
Amanda Rae  
Jasmine Hynes  
Rosie Wicks

**Nursery Relief Staff**

Rebecca Steele  
Natalie Matheson

**STATEMENT OF TRUSTEES RESPONSIBILITIES**

The trustees (who are also the directors of Cothrom for the purposes of company law) are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

Cothrom (Registered number: SC142456)

**Report of the Trustees  
for the Year Ended 31 March 2016**

Approved by order of the board of trustees on 22/9/16 and signed on its behalf by:

B MacDonald  
Mrs B MacDonald - Secretary

**Independent Examiner's Report to the Trustees of  
Cothrom (Registered number: SC142456)**

I report on the accounts for the year ended 31 March 2016 set out on pages eleven to thirty one.

**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 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 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  
Member of ICAS  
Campbell Stewart MacLennan & Co  
Chartered Accountants  
8 Wentworth Street  
Portree  
Highland  
IV51 9EJ

Date: 18 November 2016

**Cothrom**

**Statement of Financial Activities**  
(Incorporating an Income and Expenditure Account)  
for the Year Ended 31 March 2016

		Unrestricted funds	Restricted funds	31.3.16 Total funds	31.3.15 Total funds
	Notes	£	£	£	as restated £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	1,725	-	1,725	-
<b>Charitable activities</b>	5				
Adult Learning		63,726	11,390	75,116	66,244
Children's Care		-	-	-	8,776
National Programmes		56,635	-	56,635	67,573
Business Training		6,008	-	6,008	1,644
Cothrom Og		67,390	-	67,390	67,452
Nightclasses		630	-	630	575
Re-store		22,835	37,430	60,265	49,447
Community Development		3,814	21,264	25,078	56,741
Other activities		-	-	-	1,566
Re-store Development		-	-	-	17,023
Health & Social Care		20,300	-	20,300	-
Horticulture		133	58,018	58,151	-
Restore Build		-	94,463	94,463	-
Other trading activities	3	10,831	-	10,831	11,652
Investment income	4	77	-	77	68
<b>Total</b>		<b>254,104</b>	<b>222,565</b>	<b>476,669</b>	<b>348,761</b>
<b>EXPENDITURE ON</b>					
Raising funds	6	915	-	915	(3,175)
<b>Charitable activities</b>	7				
Adult Learning		64,657	11,388	76,045	63,998
Children's Care		-	-	-	13,107
National Programmes		45,022	-	45,022	59,499
Business Training		17,104	-	17,104	13,825
Cothrom Og		66,429	-	66,429	64,795
Nightclasses		115	-	115	75
Re-store		29,820	36,999	66,819	43,503
Community Development		4,187	17,713	21,900	57,865
Other activities		-	-	-	2,225
Re-store Development		-	-	-	6,438
Health & Social Care		18,839	-	18,839	-
Horticulture		24	38,848	38,872	-
Depreciation		28,597	2,682	31,279	28,035
<b>Total</b>		<b>275,709</b>	<b>107,630</b>	<b>383,339</b>	<b>350,190</b>
<b>NET INCOME/(EXPENDITURE)</b>		<b>(21,605)</b>	<b>114,935</b>	<b>93,330</b>	<b>(1,429)</b>
<b>Transfers between funds</b>	20	<b>1,105,678</b>	<b>(1,105,678)</b>	<b>-</b>	<b>-</b>
<b>Net movement in funds</b>		<b>1,084,073</b>	<b>(990,743)</b>	<b>93,330</b>	<b>(1,429)</b>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<b>104,254</b>	<b>1,118,857</b>	<b>1,223,111</b>	<b>1,224,540</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>1,188,327</b>	<b>128,114</b>	<b>1,316,441</b>	<b>1,223,111</b>

The notes form part of these financial statements

**Cothrom**

**Statement of Financial Activities - continued  
(Incorporating an Income and Expenditure Account)  
for the Year Ended 31 March 2016**

		Unrestricted funds	Restricted funds	31.3.16 Total funds	31.3.15 Total funds as restated
	Notes	£	£	£	£

**CONTINUING OPERATIONS**

All income and expenditure has arisen from continuing activities.

**Balance Sheet**  
**At 31 March 2016**

		Unrestricted funds	Restricted funds	31.3.16 Total funds	31.3.15 Total funds
	Notes	£	£	£	as restated £
<b>FIXED ASSETS</b>					
Tangible assets	14	1,096,627	86,960	1,183,587	1,104,912
<b>CURRENT ASSETS</b>					
Stocks		2,260	-	2,260	3,175
Debtors	15	30,475	961	31,436	29,168
Cash at bank and in hand		<u>101,963</u>	<u>145,018</u>	<u>246,981</u>	<u>169,853</u>
		134,698	145,979	280,677	202,196
<b>CREDITORS</b>					
Amounts falling due within one year	16	(15,997)	(104,826)	(120,823)	(83,997)
<b>NET CURRENT ASSETS</b>		<u>118,701</u>	<u>41,153</u>	<u>159,854</u>	<u>118,199</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		1,215,328	128,113	1,343,441	1,223,111
<b>CREDITORS</b>					
Amounts falling due after more than one year	17	(27,000)	-	(27,000)	-
<b>NET ASSETS</b>		<u>1,188,328</u>	<u>128,113</u>	<u>1,316,441</u>	<u>1,223,111</u>
<b>FUNDS</b>	20				
Unrestricted funds				1,188,328	104,254
Restricted funds				<u>128,113</u>	<u>1,118,857</u>
<b>TOTAL FUNDS</b>				<u>1,316,441</u>	<u>1,223,111</u>

**Balance Sheet - continued**  
**At 31 March 2016**

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2016.

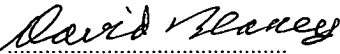
The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 March 2016 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 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 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 charitable company.

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

The financial statements were approved by the Board of Trustees on 22/9/16 and were signed on its behalf by:



D Blaney -Trustee



Mrs I F MacDonald -Trustee



**Cothrom**

**Cash Flow Statement  
for the Year Ended 31 March 2016**

		31.3.16	31.3.15 as restated
	Notes	£	£
<b>Cash flows from operating activities:</b>			
Cash generated from operations	1	157,688	66,996
Interest paid		(1)	-
Accrued interest		<u>229</u>	<u>-</u>
<b>Net cash provided by (used in) operating activities</b>		<u>157,916</u>	<u>66,996</u>
 <b>Cash flows from investing activities:</b>			
Purchase of tangible fixed assets		(110,676)	(14,672)
Interest received		<u>77</u>	<u>68</u>
<b>Net cash provided by (used in) investing activities</b>		<u>(110,599)</u>	<u>(14,604)</u>
 <b>Cash flows from financing activities:</b>			
New loans in year		<u>30,000</u>	<u>-</u>
<b>Net cash provided by (used in) financing activities</b>		<u>30,000</u>	<u>-</u>
		<u>          </u>	<u>          </u>
<b>Change in cash and cash equivalents in the reporting period</b>		77,317	52,392
<b>Cash and cash equivalents at the beginning of the reporting period</b>	2	<u>169,664</u>	<u>117,272</u>
<b>Cash and cash equivalents at the end of the reporting period</b>	2	<u>246,981</u>	<u>169,664</u>

The notes form part of these financial statements

**Cothrom**

**Notes to the Cash Flow Statement  
for the Year Ended 31 March 2016**

**1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	31.3.16	31.3.15 as restated
	£	£
<b>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</b>	93,330	(1,429)
<b>Adjustments for:</b>		
Depreciation charges	32,002	28,033
Interest received	(77)	(68)
Interest paid	1	-
Decrease/(increase) in stocks	915	(3,175)
(Increase)/decrease in debtors	(2,268)	19,511
Increase in creditors	<u>33,785</u>	<u>24,124</u>
<b>Net cash provided by (used in) operating activities</b>	<u><u>157,688</u></u>	<u><u>66,996</u></u>

**2. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	31.3.16	31.3.15 as restated
	£	£
Cash in hand	325	257
Notice deposits (less than 3 months)	246,656	169,596
Overdrafts included in bank loans and overdrafts falling due within one year	<u>-</u>	<u>(189)</u>
<b>Total cash and cash equivalents</b>	<u><u>246,981</u></u>	<u><u>169,664</u></u>

During the year, the charity received a number of grants in advance in order to pay for the costs of constructing the new restore building, this has resulted in the charity holding additional cash at the end of the reporting period.

**Notes to the Financial Statements  
for the Year Ended 31 March 2016**

**1. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Income from grants, whether 'capital' or revenue grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grant have been met, it is probable that income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of a services rendered by the charity, is deferred until the criteria for income recognition are met.

**Donated goods for resale**

Donated goods for resale consist of furniture which has been donated by members of the public and then restored by the charity for resale. It would be impractical to quantify the value of each item of furniture when it is originally donated to the charity; therefore donations are recognised upon the sale of goods once the furniture has been restored.

Restore furniture sales amounted to £12,283 during the year (2015 - £9,182) and income relating to these sales has been disclosed within charitable activities, rather than income from other trading activities, as the restore project formed part of the core activities of the charity.

**Donations in kind**

The charity has agreed a lease of 15 years for the use of the Walled Garden at St. Peter Church, South Uist. No consideration is payable for the lease and the value attributable to the garden is unknown and therefore has not been included as a donation in kind in the financial statements.

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

**Allocation and apportionment of costs**

Supports costs that are not attributable to a particular activity of the charity, are apportioned on two different methods using total wages. Supports costs that are location specific and are identified and split differently to costs that are incurred regardless of the location of the activity.

<b>Activity apportionment</b>	<b>% Excluding Restore</b>	<b>% Including Restore</b>
Restore	N/A	20
Adult Learning	24	19
National Programmes	16	13
Business Training	7	5
Community Development	6	5
Health & Social Care	7	5
Horticultural	15	12
Nursery	25	21

# Cothrom

## Notes to the Financial Statements - continued for the Year Ended 31 March 2016

### 1. ACCOUNTING POLICIES - continued

#### 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	-2% on cost
Plant and machinery etc	-25% on reducing balance and 20% on cost
Leasehold improvements	-over the lifetime of the lease, due to expire in 2028

Assets under construction are not depreciated until they are brought into use.

#### Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Stock consists of furniture that has been restored for sale to the general public. Donated stock yet to be restored is not included within stock

#### 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.

A designated fund is that part of the charity's unrestricted funds that the charity trustees have decided to earmark or designate, for a particular purpose.

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

#### Lease commitments

Rentals paid under operating leases are charged to the SOFA as incurred. Lease obligations are disclosed in the notes to the financial statements.

#### Public Benefit Entity Concessionary Loans

Loan classified as Public Benefit Entity Concessionary Loans are initially measured at the amount received, with the carrying amount subsequently adjusted to reflect any accrued interest payable.

#### Reconciliation with previous General Accepted Accounting Practise

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

At the date of transition in applying the requirement to recognise liabilities arising from employee benefits, a liability of £2,350 was recognised for short-term compensated absence arising from employee entitlement for paid annual leave.

### 2. DONATIONS AND LEGACIES

	31.3.16	31.3.15 as restated
	£	£
Donations	<u>1,725</u>	<u>-</u>

**Cothrom**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2016**

**3. OTHER TRADING ACTIVITIES**

	31.3.16	31.3.15 as restated
	£	£
Fundraising events	1,017	406
Hire of rooms	7,608	8,243
Wind turbine income	2,056	2,853
Broadband mast income	<u>150</u>	<u>150</u>
	<u><u>10,831</u></u>	<u><u>11,652</u></u>

**4. INVESTMENT INCOME**

	31.3.16	31.3.15 as restated
	£	£
Deposit account interest	<u>77</u>	<u>68</u>

**Cothrom**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2016**

**5. INCOME FROM CHARITABLE ACTIVITIES**

		31.3.16	31.3.15 as restated
	Activity	£	£
Comhairle nan Eilean Siar	Adult Learning	32,161	31,006
Grants	Adult Learning	11,388	12,755
ESOL	Adult Learning	4,523	4,297
Other income	Adult Learning	251	-
Fees charged and sales	Adult Learning	208	175
Training income	Adult Learning	26,585	18,011
Childcare Partnership	Children's Care	-	6,522
Other income	Children's Care	-	2,254
Comhairle nan Eilean Siar	National Programmes	2,507	18,871
Get Ready for Work	National Programmes	24,610	14,077
Other income	National Programmes	7,250	3,793
Modern Apprenticeships	National Programmes	20,268	30,832
Adopt an Apprentice	National Programmes	2,000	-
Individual Learning Accounts	Business Training	775	980
Other income	Business Training	20	42
Fees charged and sales	Business Training	5,213	622
Comhairle nan Eilean Siar	Cothrom Og	25,666	33,156
Childcare Partnership	Cothrom Og	10,737	1,117
Other income	Cothrom Og	971	1,221
Cothrom Og fees	Cothrom Og	29,013	31,767
Fees charged and sales	Cothrom Og	1,003	191
Comhairle nan Eilean Siar	Nightclasses	500	500
Fees charged and sales	Nightclasses	130	75
Comhairle nan Eilean Siar	Re-store	4,115	6,057
Highlands and Islands	Re-store	-	2,625
Grants	Re-store	37,430	20,052
Other income	Re-store	530	266
Textile Bank income	Re-store	1,160	2,685
Fees charged and sales	Re-store	15,738	17,762
Community Jobs Scotland	Re-store	962	-
Training income	Re-store	330	-
Comhairle nan Eilean Siar	Community Development	-	6,196
Grants	Community Development	21,264	31,938
Other income	Community Development	14	3,233
Fees charged and sales	Community Development	3,300	-
Social Enterprise Academy	Community Development	500	15,374
Comhairle nan Eilean Siar	Other activities	-	601
Other income	Other activities	-	965
Grants	Re-store Development	-	17,023
Comhairle nan Eilean Siar	Health & Social Care	10,950	-
Childcare Partnership	Health & Social Care	7,277	-
Other income	Health & Social Care	24	-
Modern Apprenticeships	Health & Social Care	2,049	-
Grants	Horticulture	58,018	-
Other income	Horticulture	46	-
Fees charged and sales	Horticulture	87	-
Grants	Restore Build	94,463	-
		<u>464,036</u>	<u>337,041</u>

**Cothrom**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2016**

**5. INCOME FROM CHARITABLE ACTIVITIES - continued**

Grants received, included in the above, are as follows:

	31.3.16	31.3.15 as restated
	£	£
Alcohol Drug Partnership	23,253	24,807
Ironmonger's Company	-	5,000
Robertson Trust	10,240	3,000
Lankelly Chase Foundation	-	5,000
Big Lottery Fund Grant	57,155	17,023
Highlands and Islands Enterprise	7,487	-
RBS Inspiring Enterprise	9,160	26,938
Landaidd Charitable Trust	40,000	-
Climate Challenge Fund	45,506	-
People Postcode Trust	12,512	-
Cnes	5,984	-
Other grants	<u>11,266</u>	<u>-</u>
	<u>222,563</u>	<u>81,768</u>

**6. RAISING FUNDS**

Other trading activities

	31.3.16	31.3.15 as restated
	£	£
Opening stock	3,175	-
Closing stock	<u>(2,260)</u>	<u>(3,175)</u>
	<u>915</u>	<u>(3,175)</u>

**7. CHARITABLE ACTIVITIES COSTS**

	Direct costs	Support costs (See note 8)	Totals
	£	£	£
Adult Learning	61,849	14,196	76,045
National Programmes	30,512	14,510	45,022
Business Training	3,651	13,453	17,104
Cothrom Og	54,026	12,403	66,429
Nightclasses	115	-	115
Re-store	58,252	8,567	66,819
Community Development	21,194	706	21,900
Health & Social Care	15,061	3,778	18,839
Horticulture	29,631	9,241	38,872
Depreciation	<u>29,839</u>	<u>1,440</u>	<u>31,279</u>
	<u>304,130</u>	<u>78,294</u>	<u>382,424</u>

**Cothrom**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2016**

**8. SUPPORT COSTS**

	Management & administration £	Finance £	Human resources £	Governance costs £	Totals £
Adult Learning	13,066	139	364	627	14,196
National Programmes	13,762	93	245	410	14,510
Business Training	13,121	41	102	189	13,453
Cothrom Og	11,210	147	384	662	12,403
Re-store	7,434	87	384	662	8,567
Community Development	574	24	107	1	706
Health & Social Care	3,396	41	120	221	3,778
Horticulture	8,547	90	226	378	9,241
Depreciation	<u>1,440</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,440</u>
	<u>72,550</u>	<u>662</u>	<u>1,932</u>	<u>3,150</u>	<u>78,294</u>

**Governance costs analysis:**

	31.3.16 £	31.5.15 £
Accountancy	3,000	3,159
Companies House fee	14	-
Director expenses & AGM	136	626
	<u>3,150</u>	<u>3,785</u>

Support costs, included in the above, are as follows:

**9. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	31.3.16 £	31.3.15 as restated £
Depreciation - owned assets	32,001	28,033
Fees for accountancy and other services	1,500	5,219
Independent Examination Fees	<u>1,500</u>	<u>1,580</u>

**10. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 March 2016 nor for the year ended 31 March 2015.

**Trustees' expenses**

S Maclean, was paid £120 (2015 - £136) for travelling expense.

The trustees have taken out trustee liability insurance. The annual premium is £430 (2015 - £170).



**Cothrom**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2016**

**11. STAFF COSTS**

	31.3.16	31.3.15 as restated
	£	£
Wages and salaries	234,539	210,291
Social security costs	<u>11,611</u>	<u>9,825</u>
	<u><u>246,150</u></u>	<u><u>220,116</u></u>

The average monthly number of employees during the year was as follows:

	31.3.16	31.3.15
Cothrom staff members - full time	4	5
Cothrom staff members - part time	<u>15</u>	<u>17</u>
	<u><u>19</u></u>	<u><u>22</u></u>

No employees received emoluments in excess of £60,000.

A breakdown of staff members, freelance tutors, volunteers and nursery relief staff is provided in the trustees report.

Key management compensation amounted to £31,896 (2015 - £32,269) during the year.

**12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds	Restricted funds	Total funds as restated
	£	£	£
<b>INCOME AND ENDOWMENTS FROM</b>			
<b>Charitable activities</b>			
Adult Learning	53,489	12,755	66,244
Children's Care	8,776	-	8,776
National Programmes	67,573	-	67,573
Business Training	1,644	-	1,644
Cothrom Og	67,452	-	67,452
Nightclasses	575	-	575
Re-store	29,395	20,052	49,447
Community Development	24,803	31,938	56,741
Other activities	1,566	-	1,566
Re-store Development	-	17,023	17,023
Other trading activities	11,652	-	11,652
Investment income	<u>68</u>	<u>-</u>	<u>68</u>
<b>Total</b>	266,993	81,768	348,761

Cothrom

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2016

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds	Restricted funds	Total funds as restated £
	£	£	
<b>EXPENDITURE ON</b>			
Raising funds	(3,175)	-	(3,175)
<b>Charitable activities</b>			
Adult Learning	51,243	12,755	63,998
Children's Care	13,107	-	13,107
National Programmes	59,499	-	59,499
Business Training	13,825	-	13,825
Cothrom Og	64,795	-	64,795
Nightclasses	75	-	75
Re-store	23,449	20,054	43,503
Community Development	26,309	31,556	57,865
Other activities	2,225	-	2,225
Re-store Development	-	6,438	6,438
Depreciation	2,884	25,151	28,035
<b>Total</b>	<b>254,236</b>	<b>95,954</b>	<b>350,190</b>
<b>NET INCOME/(EXPENDITURE)</b>	<b>12,757</b>	<b>(14,186)</b>	<b>(1,429)</b>
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	<b>91,498</b>	<b>1,133,042</b>	<b>1,224,540</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b>104,255</b>	<b>1,118,856</b>	<b>1,223,111</b>

13. PRIOR YEAR ADJUSTMENT

A prior year adjustment was processed to reallocate internal rent income and expenditure of £4,300.

**Cothrom**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2016**

**14. TANGIBLE FIXED ASSETS**

	Freehold property £	Assets under construction £	Improvements to property £
<b>COST</b>			
At 1 April 2015	1,247,786	12,917	-
Additions	<u>32,759</u>	<u>57,593</u>	<u>9,401</u>
At 31 March 2016	<u>1,280,545</u>	<u>70,510</u>	<u>9,401</u>
<b>DEPRECIATION</b>			
At 1 April 2015	170,185	-	-
Charge for year	<u>24,999</u>	<u>-</u>	<u>723</u>
At 31 March 2016	<u>195,184</u>	<u>-</u>	<u>723</u>
<b>NET BOOK VALUE</b>			
At 31 March 2016	<u>1,085,361</u>	<u>70,510</u>	<u>8,678</u>
At 31 March 2015	<u>1,077,601</u>	<u>12,917</u>	<u>-</u>

	Plant and machinery £	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>				
At 1 April 2015	57,811	18,000	12,573	1,349,087
Additions	<u>9,949</u>	<u>-</u>	<u>974</u>	<u>110,676</u>
At 31 March 2016	<u>67,760</u>	<u>18,000</u>	<u>13,547</u>	<u>1,459,763</u>
<b>DEPRECIATION</b>				
At 1 April 2015	49,751	16,648	7,591	244,175
Charge for year	<u>4,502</u>	<u>338</u>	<u>1,439</u>	<u>32,001</u>
At 31 March 2016	<u>54,253</u>	<u>16,986</u>	<u>9,030</u>	<u>276,176</u>
<b>NET BOOK VALUE</b>				
At 31 March 2016	<u>13,507</u>	<u>1,014</u>	<u>4,517</u>	<u>1,183,587</u>
At 31 March 2015	<u>8,060</u>	<u>1,352</u>	<u>4,982</u>	<u>1,104,912</u>

Included in freehold property and assets under construction is freehold land of £32,656 (2015 - £30,656).

An area of ground extending to 85 meters at 15 Ormiclate, South Uist, Western Isles has been been granted as security to a grant funder of the charity.

**15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.3.16 £	31.3.15 as restated £
Trade debtors	28,201	25,638
Accrued income	2,703	2,761
Prepayments	<u>532</u>	<u>769</u>
	<u>31,436</u>	<u>29,168</u>

**Cothrom**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2016**

**16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.3.16	31.3.15 as restated
	£	£
Bank loans and overdrafts (see note 18)	-	189
Other loans (see note 18)	3,230	-
Trade creditors	1,356	2,452
Credit card	161	20
Social security and other taxes	-	3,300
Deferred grants	104,824	61,672
Accruals and deferred income	<u>11,252</u>	<u>16,364</u>
	<u>120,823</u>	<u>83,997</u>

Grants totalling £104,824 (2015 - £61,672) were deferred at the 31 March 2016. Grants totalling £61,672 (2015 - £42,572) were released from the previous year.

**17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	31.3.16	31.3.15 as restated
	£	£
Other loans (see note 18)	<u>27,000</u>	<u>-</u>

**18. LOANS**

An analysis of the maturity of loans is given below:

	31.3.16	31.3.15 as restated
	£	£
Amounts falling due within one year on demand:		
Bank overdraft	-	189
Other loans	<u>3,230</u>	<u>-</u>
	<u>3,230</u>	<u>189</u>
Amounts falling between one and two years:		
Other loans - 1-2 years	<u>3,000</u>	<u>-</u>
Amounts falling due between two and five years:		
Other loans - 2-5 years	<u>9,000</u>	<u>-</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Other loans more 5yrs instal	<u>15,000</u>	<u>-</u>

Loans include a public benefit entity concessionary loan, repayable over a period of ten year with interest payable at 0.5% above base rate.

**Cothrom**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2016**

**19. OPERATING LEASE COMMITMENTS**

The following operating lease payments are committed to be paid within the following periods:

	31.3.16 £	31.3.15 £
Not later than one year	4,112	5,462
Later than one year and not late than five years	<u>5,069</u>	<u>11,231</u>

**20. MOVEMENT IN FUNDS**

	At 1.4.15 £	Net movement in funds £	Transfers between funds £	At 31.3.16 £
<b>Unrestricted funds</b>				
General fund	104,254	3,400	24,582	132,236
Designated Fund - New Restore Building	-	-	852	852
Designated Fund - Cothrom Centre	<u>-</u>	<u>(25,004)</u>	<u>1,080,244</u>	<u>1,055,240</u>
	104,254	(21,604)	1,105,678	1,188,328
<b>Restricted funds</b>				
Cothrom Centre	1,105,678	-	(1,105,678)	-
Enterprise on the Edge	382	-	-	382
Big Lottery Fund Grant - Restore development	12,797	-	-	12,797
Landaidd Charitable Trust Ltd	-	40,000	-	40,000
People Postcode Trust	-	8,678	-	8,678
Big Lottery Fund Grant - New restore building	-	30,072	-	30,072
CNES Community Capital Grant	-	5,984	-	5,984
Scottish Government Regeneration Capital Grant	-	11,266	-	11,266
Big Lottery Fund Grant - Young Start	-	3,552	-	3,552
HIE - New restore building	-	7,487	-	7,487
Climate Challenge Fund	<u>-</u>	<u>7,895</u>	<u>-</u>	<u>7,895</u>
	1,118,857	114,934	(1,105,678)	128,113
<b>TOTAL FUNDS</b>	<u>1,223,111</u>	<u>93,330</u>	<u>-</u>	<u>1,316,441</u>

Cothrom

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2016

20. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	254,104	(250,704)	3,400
Designated Fund - Cothrom Centre	-	(25,004)	(25,004)
	254,104	(275,708)	(21,604)
<b>Restricted funds</b>			
Enterprise on the Edge	9,161	(9,161)	-
Robertson Trust	10,240	(10,240)	-
Landaidd Charitable Trust Ltd	40,000	-	40,000
People Postcode Trust	12,513	(3,835)	8,678
Alcohol & Drugs Partnership	23,253	(23,253)	-
Big Lottery Fund Grant - New restore building	45,051	(14,979)	30,072
CNES Community Capital Grant	5,984	-	5,984
Scottish Government Regeneration Capital Grant	11,266	-	11,266
Big Lottery Fund Grant - Young Start	12,106	(8,554)	3,552
HIE - New restore building	7,487	-	7,487
Climate Challenge Fund	45,504	(37,609)	7,895
	222,565	(107,631)	114,934
<b>TOTAL FUNDS</b>	<u>476,669</u>	<u>(383,339)</u>	<u>93,330</u>

# Cothrom

## Notes to the Financial Statements - continued for the Year Ended 31 March 2016

### 20. MOVEMENT IN FUNDS - continued

Name of restricted fund(s)	Description, nature and purpose of the fund
Enterprise on the Edge	The Enterprise on the Edge fund is a program designed to help young people across the Outer Hebrides explore enterprising opportunities in their own communities and provide support in setting up their own enterprises. The fund balance carried forward consists of £382 held as fixed assets.
Big Lottery Fund Grant - Restore Development, Landaid Charitable Trust, Big Lottery Fund Grant - New restore building, CNES Community Capital Grant, Scottish Government Regeneration Capital Grant, HIE - New restore building	Cost connected to the planning, design, purchase of land and construction of the charity's new restore building. The Big Lottery Fund Grant - New restore building fund also includes revenue funding towards the salary costs of a full time Development Co-ordinator for the Restore project. At the year end, a balance of £70,003 was carried forward as fixed assets, £138,566 was held as cash at bank and £100,963 was deferred and will be release after the year end.
Robertson Trust	Recieved for the wages costs of a Restore Development Officer. Balance of £2,760 has been deferred and will be released after the year end. £2,760 was held as cash at bank funds at the year end.
Alcohol & Drugs Partnership	Received for the charity's re-store and adult learning project. Balance of £961 has been deferred will be released after the year end. £961 was held as cash at bank funds at the year end.
People Postcode Trust	For the charity's walled garden project. The fund balance carried forward consists of £8,678 held as fixed assets.
Big Lottery Fund Grant - Young Start	Two year project starting October 2015 to provide mentoring for 70 young people aged 16-24 on Uist and Barra. A balance of £1,101 has been deferred and will be released after the year end. £4,542 was held as cash at bank funds at the year end.
Climate Challenge Fund	The project will create new community growing space for local produce to reduce food miles and run cooking and meal planning sessions to reduce food waste. Additional activities include food waste collections and composting stations, plus horticultural training and employment opportunities. The fund balance carried forward consists of £7,895 held as fixed assets.

#### Transfers between funds

The following transfers were made for previously capitalised expenditure:

£852 to the Designated Fund - New Restore Building from the charities general fund.

Following a review of grant documentation, transfers were undertaken to reallocate restricted Cothrom Centre balances of £1,076,909 from fixed assets and £28,769 from cash at bank to the charity's unrestricted funds. These balances relate to the existing Cothrom Centre which was completed in 2007.

### 21. CAPITAL COMMITMENTS

	31.3.16	31.3.15 as restated
	£	£
Contracted but not provided for in the financial statements	<u>709,572</u>	<u>-</u>

At the year end, the charity was committed to the construction of a new building for the charity's Restore project. The board plans to settle this commitment by using grant funding already secured and the charity's unrestricted reserves.

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2016**

**22. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 31 March 2016.

**23. ULTIMATE CONTROLLING PARTY**

The company is limited by guarantee and is controlled by its board of directors.

**24. FIRST YEAR ADOPTION**

At the date of transition in applying the requirement to recognise liabilities arising from employee benefits, a liability of £2,350 was recognised for short-term compensated absence arising from employee entitlement for paid annual leave.

**Transitional relief**

On transition to FRS 102, the charity has taken advantage of the following transitional relief:



**Cothrom**

**Reconciliation of Income and Expenditure  
for the Year Ended 31 March 2015**

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
<b>INCOME AND ENDOWMENTS FROM</b>				
Charitable activities		337,041	-	337,041
Other trading activities		11,652	-	11,652
Investment income		<u>68</u>	<u>-</u>	<u>68</u>
<b>Total</b>		<b>348,761</b>	<b>-</b>	<b>348,761</b>
<b>EXPENDITURE ON</b>				
Raising funds		(3,175)	-	(3,175)
Charitable activities		349,580	3,785	353,365
OBSOLETE Governance costs		<u>3,785</u>	<u>(3,785)</u>	<u>-</u>
<b>Total</b>		<b>350,190</b>	<b>-</b>	<b>350,190</b>
<b>NET INCOME/(EXPENDITURE)</b>		<u><u>(1,429)</u></u>	<u><u>-</u></u>	<u><u>(1,429)</u></u>

**Cothrom**

**Reconciliation of Funds  
At 1 April 2014  
(Date of Transition to FRS 102)**

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
<b>FIXED ASSETS</b>				
Tangible assets		<u>1,118,273</u>	<u>-</u>	<u>1,118,273</u>
		1,118,273	-	1,118,273
<b>CURRENT ASSETS</b>				
Debtors		48,679	-	48,679
Cash at bank and in hand		<u>120,881</u>	<u>-</u>	<u>120,881</u>
		169,560	-	169,560
<b>CREDITORS</b>				
Amounts falling due within one year		(60,943)	(2,350)	(63,293)
<b>NET CURRENT ASSETS</b>		<u>108,617</u>	<u>(2,350)</u>	<u>106,267</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,226,890</u>	<u>(2,350)</u>	<u>1,224,540</u>
		<u>1,226,890</u>	<u>(2,350)</u>	<u>1,224,540</u>
<b>FUNDS</b>				
Unrestricted funds		93,848	(2,350)	91,498
Restricted funds		<u>1,133,042</u>	<u>-</u>	<u>1,133,042</u>
<b>TOTAL FUNDS</b>		<u>1,226,890</u>	<u>(2,350)</u>	<u>1,224,540</u>

**Cothrom**  
**Reconciliation of Funds**  
**At 31 March 2015**

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
<b>FIXED ASSETS</b>				
Tangible assets		1,104,912	-	1,104,912
<b>CURRENT ASSETS</b>				
Stocks		3,175	-	3,175
Debtors		29,168	-	29,168
Cash at bank and in hand		<u>169,853</u>	<u>-</u>	<u>169,853</u>
		202,196	-	202,196
<b>CREDITORS</b>				
Amounts falling due within one year		(81,647)	(2,350)	(83,997)
<b>NET CURRENT ASSETS</b>		<u>120,549</u>	<u>(2,350)</u>	<u>118,199</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,225,461</u>	<u>(2,350)</u>	<u>1,223,111</u>
<b>NET ASSETS</b>		<u>1,225,461</u>	<u>(2,350)</u>	<u>1,223,111</u>
<b>FUNDS</b>				
Unrestricted funds		106,604	(2,350)	104,254
Restricted funds		<u>1,118,857</u>	<u>-</u>	<u>1,118,857</u>
<b>TOTAL FUNDS</b>		<u>1,225,461</u>	<u>(2,350)</u>	<u>1,223,111</u>

Cothrom

Detailed Statement of Financial Activities  
for the Year Ended 31 March 2016

	31.3.16 £	31.3.15 as restated £
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Donations	1,725	-
<b>Other trading activities</b>		
Fundraising events	1,017	406
Hire of rooms	7,608	8,243
Wind turbine income	2,056	2,853
Broadband mast income	<u>150</u>	<u>150</u>
	10,831	11,652
<b>Investment income</b>		
Deposit account interest	77	68
<b>Charitable activities</b>		
Comhairle nan Eilean Siar	75,899	96,387
Highlands and Islands	-	2,625
Grants	222,563	81,768
Childcare Partnership	18,014	7,639
Get Ready for Work	24,610	14,077
Individual Learning Accounts	775	980
ESOL	4,523	4,297
Other income	9,106	11,774
Cothrom Og fees	29,013	31,767
Modern Apprenticeships	22,317	30,832
Adopt an Apprentice	2,000	-
Textile Bank income	1,160	2,685
Fees charged and sales	25,679	18,825
Social Enterprise Academy	500	15,374
Community Jobs Scotland	962	-
Training income	<u>26,915</u>	<u>18,011</u>
	<u>464,036</u>	<u>337,041</u>
<b>Total incoming resources</b>	476,669	348,761
<b>EXPENDITURE</b>		
<b>Other trading activities</b>		
Opening stock	3,175	-
Closing stock	<u>(2,260)</u>	<u>(3,175)</u>
	915	(3,175)
<b>Charitable activities</b>		
Wages	183,846	160,525
Social security	7,603	5,760
Rent, rates and water	5,698	5,488
Light and heat	8,771	7,253
Staff travel	7,676	15,155
Course materials, fees	3,300	3,530
Tutor payments	14,929	10,843
Consumable supplies	2,046	4,135
Care costs	1,003	191
Trainee payments and travel	17,021	17,374
Carried forward	251,893	230,254

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**Cothrom**

**Detailed Statement of Financial Activities  
for the Year Ended 31 March 2016**

	31.3.16	31.3.15 as restated
	£	£
<b>Charitable activities</b>		
Brought forward	251,893	230,254
Film/train production	1,891	-
Repairs	5,264	2,907
Staff training	1,852	605
Disclosures and inspections	3,970	1,026
Motor expenses	2,169	2,481
Staff/student events	4,388	4,949
Strupag costs	141	110
Adopt an Apprentice	2,000	-
Freehold property	24,999	24,343
Improvements to property	723	-
Depn of equipment	4,502	2,687
Depn of vehicles	338	451
	<u>304,130</u>	<u>269,813</u>
<b>Support costs</b>		
<b>Management &amp; administration</b>		
Wages	50,693	49,766
Social security	4,008	4,065
Insurance	4,047	3,820
Telephone	4,366	3,569
Postage and stationery	3,469	4,053
Advertising	188	2,200
Memberships and subscriptions	759	1,058
Water cooler	352	375
Computer support	69	570
Bad debt	-	120
Sundry expenses	402	2,071
Professional fees	-	3,641
Software licences	606	605
Cleaning	2,151	1,593
Computer equipment	1,440	554
	<u>72,550</u>	<u>78,060</u>
<b>Finance</b>		
Bank charges	432	425
Loan	230	-
	<u>662</u>	<u>425</u>
<b>Human resources</b>		
HR Mentoring	1,332	1,282
Pension set-up cost	600	-
	<u>1,932</u>	<u>1,282</u>
<b>Governance costs</b>		
Accountancy fees	3,000	3,159
Companies House fee	14	-
Director expenses & AGM	136	626
	<u>3,150</u>	<u>3,785</u>
<b>Total resources expended</b>	<u>383,339</u>	<u>350,190</u>
<b>Net income/(expenditure)</b>	<u>93,330</u>	<u>(1,429)</u>

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