

REGISTERED COMPANY NUMBER: SC284782 (Scotland)  
REGISTERED CHARITY NUMBER: SC036725

**REPORT OF THE TRUSTEES AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2018  
FOR**

**MINTLAW AND CENTRAL BUCHAN INITIATIVE**



CHARTERED ACCOUNTANTS

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**MINTLAW AND CENTRAL BUCHAN INITIATIVE**

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FOR THE YEAR ENDED 31 MAY 2018**

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## **MINTLAW AND CENTRAL BUCHAN INITIATIVE**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MAY 2018**

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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 May 2018. 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**

The objectives and aims of the charity are to promote the benefit of the inhabitants of Mintlaw and Central Buchan by associating the local statutory authorities, voluntary organisations and inhabitants in a common effort to advance education and to provide facilities, or assist in the provision of facilities, in the interest of social welfare for recreation and other leisure-time occupation so that their conditions of life may be improved.

##### **Significant activities**

The principal activity of the charity is the operation, maintenance and management of the MACBI Community Hub in Mintlaw which provides facilities hosting a wide range of recreational and leisure activities.

Facilities include a multi-purpose hall, fitness room, soft play area, meeting rooms, changing rooms, lounge/viewing area, cafe, outdoor play area and all weather pitch.

#### **FINANCIAL REVIEW**

##### **Financial position**

The results for the year and the financial position of the charity are as shown on the annexed financial statements.

##### **Principal funding sources**

The principal funding sources for the charity are membership subscriptions, activity fees and income from the hire of facilities. Grants have also been received for the financing of capital projects.

##### **Reserves policy**

Unrestricted funds represent income not yet utilised in supporting the charity's objectives.

Restricted funds represent grants receivable for capital projects including the construction of the main building.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

The charity is controlled by its governing document, the Memorandum and Articles of Association. It is a registered charity in Scotland. The charity constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The liability of members is limited to £1 each.

##### **Related parties**

None of the Trustees receive remuneration or any other benefit from their work with the charity. The charity owns 100% of the issued share capital of MACBI Cafe Limited which was incorporated on 28th March 2017 and commenced trading on 5th April 2017.

##### **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.

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

##### **Registered Company number**

SC284782 (Scotland)

##### **Registered Charity number**

SC036725

##### **Registered office**

Macbi Community Hub  
Newlands Road  
Mintlaw  
Peterhead  
Aberdeenshire  
AB42 5GP

**MINTLAW AND CENTRAL BUCHAN INITIATIVE**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MAY 2018**

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**REFERENCE AND ADMINISTRATIVE DETAILS**

**Trustees**

Mrs J Anderson  
Mr D Barron  
Mr H A Burns  
Mr N C Leiper  
Mr J S Pascoe  
Mr N J Smith  
Mr H Watson

**Company Secretary**

Stewart & Watson

**Independent examiner**

W G Rattray MA CA  
The Institute of Chartered Accountants of Scotland  
Bain Henry Reid  
28 Broad Street  
Peterhead  
Aberdeenshire  
AB42 1BY

Approved by order of the board of trustees on 10 December 2018 and signed on its behalf by:



Mr N J Smith - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF  
MINTLAW AND CENTRAL BUCHAN INITIATIVE**

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I report on the accounts for the year ended 31 May 2018 set out on pages four to twelve.

**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 (as amended). The charity's trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under Section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

**Basis of the independent examiner's report**

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

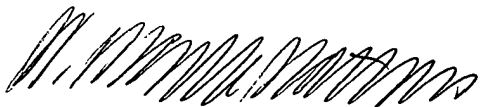
**Independent examiner's statement**

In the course of my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements
- to keep accounting records in accordance with Section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 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.



W G Rattray MA CA  
The Institute of Chartered Accountants of Scotland  
Bain Henry Reid  
28 Broad Street  
Peterhead  
Aberdeenshire  
AB42 1BY

10 December 2018

**MINTLAW AND CENTRAL BUCHAN INITIATIVE**

**STATEMENT OF FINANCIAL ACTIVITIES  
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 MAY 2018**

	Notes	Unrestricted fund £	Restricted fund £	2018 Total funds £	2017 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Grants		-	-	-	29,094
Charitable activities					
Centre income		323,690	-	323,690	320,630
<b>Total</b>		<b>323,690</b>	<b>-</b>	<b>323,690</b>	<b>349,724</b>
<b>EXPENDITURE ON</b>					
Charitable activities					
Centre expenses		276,058	-	276,058	298,845
<b>NET INCOME</b>		<b>47,632</b>	<b>-</b>	<b>47,632</b>	<b>50,879</b>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<b>120,475</b>	<b>2,057,344</b>	<b>2,177,819</b>	<b>2,126,940</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>168,107</b>	<b>2,057,344</b>	<b>2,225,451</b>	<b>2,177,819</b>

The notes form part of these financial statements

**MINTLAW AND CENTRAL BUCHAN INITIATIVE**

**BALANCE SHEET  
AT 31 MAY 2018**

	Notes	Unrestricted fund £	Restricted fund £	2018 Total funds £	2017 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	6	100,690	2,057,344	2,158,034	2,166,584
Investments	7	8,000	-	8,000	8,000
		<u>108,690</u>	<u>2,057,344</u>	<u>2,166,034</u>	<u>2,174,584</u>
<b>CURRENT ASSETS</b>					
Stocks	8	600	-	600	600
Debtors	9	7,895	-	7,895	5,429
Cash at bank and in hand		96,969	-	96,969	57,952
		<u>105,464</u>	<u>-</u>	<u>105,464</u>	<u>63,981</u>
<b>CREDITORS</b>					
Amounts falling due within one year	10	(45,760)	-	(45,760)	(51,213)
<b>NET CURRENT ASSETS</b>		<u>59,704</u>	<u>-</u>	<u>59,704</u>	<u>12,768</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>168,394</b>	<b>2,057,344</b>	<b>2,225,738</b>	<b>2,187,352</b>
<b>CREDITORS</b>					
Amounts falling due after more than one year	11	-	-	-	(9,246)
<b>ACCRUALS AND DEFERRED INCOME</b>	13	(287)	-	(287)	(287)
<b>NET ASSETS</b>		<u>168,107</u>	<u>2,057,344</u>	<u>2,225,451</u>	<u>2,177,819</u>
<b>FUNDS</b>	14				
Unrestricted funds				168,107	120,475
Restricted funds				2,057,344	2,057,344
<b>TOTAL FUNDS</b>				<u>2,225,451</u>	<u>2,177,819</u>

The notes form part of these financial statements

**MINTLAW AND CENTRAL BUCHAN INITIATIVE**

**BALANCE SHEET - CONTINUED  
AT 31 MAY 2018**

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The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 May 2018.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 May 2018 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 charitable small companies.

The financial statements were approved by the Board of Trustees on 10 December 2018 and were signed on its behalf by:



Mr N J Smith -Trustee



Mrs J Anderson -Trustee

The notes form part of these financial statements



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2018

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1. ACCOUNTING POLICIES

**Basis of preparing the financial statements**

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The trust constitutes a public benefit entity as defined by FRS 102.

**Going concern**

The trustees are of the opinion that there is sufficient resources available to continue the activities of the charity over the next 12 months. The trustees, therefore, have made an informed judgement, at the time of approving the financial statements, that there is a reasonable expectation that the charity has adequate resources to continue for the foreseeable future. As a result the trustees have continued to adopt the going concern basis of accounting in preparing these financial statements.

**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.

**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.

**Tangible fixed assets**

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

Long leasehold	- not provided
Plant and machinery	- 10% on cost

**Stocks**

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

**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.

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MAY 2018**

**1. ACCOUNTING POLICIES - continued****Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered.

**Cash at bank and in hand**

Cash at bank and in hand includes cash held with banking institutions.

**Creditors**

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are recognised at their settlement amount after allowing for any trade discounts due.

**Financial Instruments**

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

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

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

	2018	2017
	£	£
Depreciation - owned assets	13,573	13,160
Other operating leases	<u>18,804</u>	<u>19,009</u>

**3. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 May 2018 nor for the year ended 31 May 2017.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 May 2018 nor for the year ended 31 May 2017.

**4. STAFF COSTS**

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

	2018	2017
	21	21
Administrative and general	<u>21</u>	<u>21</u>

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

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

	Unrestricted fund £	Restricted fund £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Grants	-	29,094	29,094
Charitable activities			
Centre income	<u>320,630</u>	-	<u>320,630</u>
<b>Total</b>	<b>320,630</b>	<b>29,094</b>	<b>349,724</b>
<b>EXPENDITURE ON</b>			
Charitable activities			
Centre expenses	<u>298,845</u>	-	<u>298,845</u>
<b>Total</b>	<b>298,845</b>	<b>-</b>	<b>298,845</b>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MAY 2018

## 5. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £	Restricted fund £	Total funds £
<b>NET INCOME</b>	<b>21,785</b>	<b>29,094</b>	<b>50,879</b>
Transfers between funds	(1,539)	1,539	-
Net movement in funds	20,246	30,633	50,879
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward	100,229	2,026,711	2,126,940
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b>120,475</b>	<b>2,057,344</b>	<b>2,177,819</b>

## 6. TANGIBLE FIXED ASSETS

	Long leasehold £	Plant and machinery £	Totals £
<b>COST</b>			
At 1 June 2017	2,057,344	134,837	2,192,181
Additions	-	5,023	5,023
At 31 May 2018	2,057,344	139,860	2,197,204
<b>DEPRECIATION</b>			
At 1 June 2017	-	25,597	25,597
Charge for year	-	13,573	13,573
At 31 May 2018	-	39,170	39,170
<b>NET BOOK VALUE</b>			
At 31 May 2018	2,057,344	100,690	2,158,034
At 31 May 2017	2,057,344	109,240	2,166,584

## 7. FIXED ASSET INVESTMENTS

	Shares in group undertakings. £
<b>MARKET VALUE</b>	
At 1 June 2017 and 31 May 2018	8,000
<b>NET BOOK VALUE</b>	
At 31 May 2018	8,000
At 31 May 2017	8,000

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MAY 2018

## 7. FIXED ASSET INVESTMENTS - continued

**Macbi Cafe Limited**

Registered office: Scotland

Nature of business: Cafe

Class of share:	% holding
Ordinary	100

## 8. STOCKS

	2018 £	2017 £
Stocks	<u>600</u>	<u>600</u>

## 9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Trade debtors	1,180	509
Amounts owed by group undertakings	6,130	4,920
Prepayments	585	-
	<u>7,895</u>	<u>5,429</u>

## 10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Bank loans and overdrafts (see note 12)	10,417	13,671
Trade creditors	1,882	3,082
Social security and other taxes	279	-
VAT	32	75
Other creditors	28,350	28,350
Accrued expenses	4,800	6,035
	<u>45,760</u>	<u>51,213</u>

## 11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2018 £	2017 £
Bank loans (see note 12)	<u>-</u>	<u>9,246</u>

## 12. LOANS

An analysis of the maturity of loans is given below:

	2018 £	2017 £
Amounts falling due within one year on demand:		
Bank loans	<u>10,417</u>	<u>13,671</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>-</u>	<u>9,246</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MAY 2018

## 13. ACCRUALS AND DEFERRED INCOME

	2018 £	2017 £
Accruals and deferred income	<u>287</u>	<u>287</u>

## 14. MOVEMENT IN FUNDS

	At 1/6/17 £	Net movement in funds £	At 31/5/18 £
<b>Unrestricted funds</b>			
General fund	120,475	47,632	168,107
<b>Restricted funds</b>			
Restricted Funds	2,057,344	-	2,057,344
<b>TOTAL FUNDS</b>	<u>2,177,819</u>	<u>47,632</u>	<u>2,225,451</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	323,690	(276,058)	47,632
<b>TOTAL FUNDS</b>	<u>323,690</u>	<u>(276,058)</u>	<u>47,632</u>

## Comparatives for movement in funds

	At 1/6/16 £	Net movement in funds £	Transfers between funds £	At 31/5/17 £
<b>Unrestricted Funds</b>				
General fund	100,229	21,785	(1,539)	120,475
<b>Restricted Funds</b>				
Restricted Funds	2,026,711	29,094	1,539	2,057,344
<b>TOTAL FUNDS</b>	<u>2,126,940</u>	<u>50,879</u>	<u>-</u>	<u>2,177,819</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	320,630	(298,845)	21,785
<b>Restricted funds</b>			
Restricted Funds	29,094	-	29,094
<b>TOTAL FUNDS</b>	<u>349,724</u>	<u>(298,845)</u>	<u>50,879</u>

**15. RELATED PARTY DISCLOSURES**

A temporary loan of £6,130 (2017: £4,920) was advanced to MACBI Cafe Limited which was receivable at the balance sheet date.