

Charity number: SC040087
Company number: SC348354

Tayvallich Community Company
(A company limited by guarantee)

Directors' report and financial statements
for the year ended 31 October 2015

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Tayvallich Community Company
(A company limited by guarantee)

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Tayvallich Community Company
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Legal and administrative information

Charity number SC040087
Company registration number SC348354

Business address Tayvallich
Lochgilphead
Argyll
PA31 8PN

Registered office 24 Great King Street
Edinburgh
EH3 6QN

Directors Peter Eric Burrell
Clare Elizabeth Cross
James Bruce Riddell
Kevin John Williams
Jillian Anne Louise Wilson
John McVey

deceased 23 October 2015

Secretary Morag Forbes Rea

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

Tayvallich Community Company
(A company limited by guarantee)

Report of the directors (incorporating the trustees' report)
for the year ended 31 October 2015

The directors present their report and the financial statements for the year ended 31 October 2015. The directors, who are also trustees of Tayvallich Community Company for the purposes of charity law and who served during the year and up to the date of this report are set out on page 1.

Structure, governance and management

The company is run by a Board of six Directors all of whom are unpaid. There are no employees.

Objectives and activities

To increase the role of the Community in its own future through the ownership of the Shop, Post Office and Coffee Shop.

To ensure sustainable management of the asset for the benefit of the Community.

To redistribute any surplus funds of the Company for the benefit of the Community.

Achievements and performance

Not too much to report this year.

Thanks to the efforts of John and Rosie the Shop and Coffee Shop have continued to perform well.

There have been no maintenance issues during the year.

I would like to pay tribute to one of our founding directors, Jim Riddell, who sadly died during the year. He played a major part in creating the Business Plan that supported the Lottery application.

Jim's spreadsheets are world famous.

Again thanks to the Board for their support over the year.

Tayvallich Community Company
(A company limited by guarantee)

Report of the directors (incorporating the trustees' report)
for the year ended 31 October 2015

Statement of directors' responsibilities

The directors (who are also trustees of Tayvallich Community Company under charity law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and which enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended), and the provisions of the trust deed. 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.

Fiona McGlynn of R A Clement Associates was deemed to be reappointed as independent examiner and the directors recommend that Fiona McGlynn remains in office until further notice.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

This report was approved by the Board on 27/5/16 and signed on its behalf by



Peter Eric Burrell
Director

Tayvallich Community Company
(A company limited by guarantee)

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

I report on the accounts for the year ended 31 October 2015 set out on pages 2 to 12.

This report is made to the charity's Trustees, who are also directors of the company, in accordance with the terms of my engagement. My work has been undertaken to enable me to prepare the financial statements on behalf of the charity's Trustees and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's Trustees, as a body, for my work or this report.

Respective responsibilities of trustees and independent examiner

The charity's trustees (who are also the directors of the company for purposes of company law) are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 (the Act) and the and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended). The charity's trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act, and to state whether particular matters have come to my attention.

Basis of Independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended). An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

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

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



Fiona McGlynn
Chartered Accountant
Independent examiner

13/5/16

Date

Of R A Clement Associates
5 Argyll Square
Oban
Argyll
PA34 4AZ

Tayvallich Community Company
(A company limited by guarantee)

Statement of financial activities (incorporating the income and expenditure account)

For the year ended 31 October 2015

	Notes	Unrestricted funds £	Restricted funds £	2015 Total £	2014 Total £
Incoming resources					
Incoming resources from generating funds:					
Investment income	2	2,708	-	2,708	2,677
Total incoming resources		<u>2,708</u>	<u>-</u>	<u>2,708</u>	<u>2,677</u>
Resources expended					
Establishment costs		999	-	999	3,176
Accountancy fees		530	-	530	530
Amortisation and impairment		-	560	560	560
Depreciation and impairment		2,657	12,446	15,103	15,103
Other costs		-	-	-	26
Total resources expended		<u>4,186</u>	<u>13,006</u>	<u>17,192</u>	<u>19,395</u>
Net incoming/(outgoing) resources before transfers		<u>(1,478)</u>	<u>(13,006)</u>	<u>(14,484)</u>	<u>(16,718)</u>
Total funds brought forward		<u>15,480</u>	<u>245,086</u>	<u>260,566</u>	<u>277,284</u>
Total funds carried forward		<u>14,002</u>	<u>232,080</u>	<u>246,082</u>	<u>260,566</u>

The notes on pages 8 to 12 form an integral part of these financial statements.

Tayvallich Community Company
(A company limited by guarantee)

Balance sheet
as at 31 October 2015

SC348354

	Notes	£	2015	£	2014	£
Fixed assets						
Intangible assets	6		10,080		10,640	
Tangible assets	7		229,045		244,148	
			<u>239,125</u>		<u>254,788</u>	
Current assets						
Debtors	8	812		1,113		
Cash at bank and in hand		7,146		7,111		
		<u>7,958</u>		<u>8,224</u>		
Creditors: amounts falling due within one year	9	(1,001)		(2,446)		
Net current assets			6,957		5,778	
Net assets			<u>246,082</u>		<u>260,566</u>	
Funds	10					
Restricted income funds			232,080		245,086	
Unrestricted income funds			14,002		15,480	
Total funds			<u>246,082</u>		<u>260,566</u>	

The directors statements required by s475(2) and s475(3) are shown on the following page which forms part of the Balance Sheet.

The notes on pages 8 to 12 form an integral part of these financial statements.

Tayvallich Community Company
(A company limited by guarantee)

Balance sheet (continued)

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Directors' statements required by the Companies Act 2006
for the year ended 31 October 2015

In approving these financial statements as directors of the company we hereby confirm:

(a) that for the year stated above the company was entitled to the exemption conferred by section 477 of the Companies Act 2006 ;

(b) that no notice has been deposited at the registered office of the company pursuant to section 476 of the Companies Act 2006 requesting that an audit be conducted for the year ended 31 October 2015.

(c) that we acknowledge our responsibilities for:

(1) ensuring that the company keeps proper accounting records which comply with section 386 of the Companies Act 2006, and

(2) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its surplus or deficit for the year then ended in accordance with the requirements of sections 394 and 395, and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

These financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the board on 27/5/16 and signed on its behalf by



John McVey
Director

The notes on pages 8 to 12 form an integral part of these financial statements.

Tayvallich Community Company
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Notes to financial statements
for the year ended 31 October 2015

1. Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and the preceding year.

1.1. Basis of accounting

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Statement of Recommended Practice 'Accounting and Reporting by Charities' issued in March 2005 (SORP 2005) and the Companies Act 2006.

1.2. Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Income from investments is included in the year in which it is receivable.

1.3. Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.

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

1.4. Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of 25 years.

1.5. Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Land and buildings	-	Straight line over twenty five years
Plant and machinery	-	15% straight line
Fixtures, fittings and equipment	-	15% straight line/year following purchase
Improvements to property	-	Straight line over twenty five years

2. Investment income

	Unrestricted funds £	2015 Total £	2014 Total £
Income from UK investment properties	2,708	2,708	2,677
	<u>2,708</u>	<u>2,708</u>	<u>2,677</u>

Tayvallich Community Company
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Notes to financial statements
for the year ended 31 October 2015

3. Net outgoing resources for the year

	2015	2014
	£	£
Net outgoing resources is stated after charging:		
Amortisation and other amounts written off intangible fixed assets	560	560
Depreciation and other amounts written off tangible fixed assets	<u>15,103</u>	<u>15,103</u>

4. Employees

Employment costs

Excepting the directors, there were no employees this year. No directors/ trustees received any remuneration, benefits in kind or reimbursement of expenditure during the year.

5. Taxation

Although the charity is registered as a Scottish charity and is recognised by the Office of the Scottish Charity regulator as a charity, H M Revenue & Customs have rejected the charity's claim to exemption from corporation tax on the basis that the charity's objects do not fall within the definition of a charity under English law.

6. Intangible fixed assets

	Goodwill	Total
	£	£
Cost		
At 1 November 2014 and		
At 31 October 2015	<u>14,000</u>	<u>14,000</u>
Provision for diminution in value		
At 1 November 2014	3,360	3,360
Charge for the year	<u>560</u>	<u>560</u>
At 31 October 2015	<u>3,920</u>	<u>3,920</u>
Net book values		
At 31 October 2015	<u>10,080</u>	<u>10,080</u>
At 31 October 2014	<u>10,640</u>	<u>10,640</u>

Tayvallich Community Company
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Notes to financial statements
for the year ended 31 October 2015

7. Tangible fixed assets	Land and buildings freehold £	Plant and machinery £	Fixtures, Improvements fittings and equipment £	to property £	Total £
Cost					
At 1 November 2014 and At 31 October 2015	<u>140,676</u>	<u>7,219</u>	<u>20,247</u>	<u>133,904</u>	<u>302,046</u>
Depreciation					
At 1 November 2014	33,841	3,694	10,282	10,081	57,898
Charge for the year	<u>5,627</u>	<u>1,083</u>	<u>3,037</u>	<u>5,356</u>	<u>15,103</u>
At 31 October 2015	<u>39,468</u>	<u>4,777</u>	<u>13,319</u>	<u>15,437</u>	<u>73,001</u>
Net book values					
At 31 October 2015	<u>101,208</u>	<u>2,442</u>	<u>6,928</u>	<u>118,467</u>	<u>229,045</u>
At 31 October 2014	<u>106,835</u>	<u>3,525</u>	<u>9,965</u>	<u>123,823</u>	<u>244,148</u>

8. Debtors

	2015 £	2014 £
Trade debtors	812	803
Other debtors	-	310
	<u>812</u>	<u>1,113</u>

**9. Creditors: amounts falling due
within one year**

	2015 £	2014 £
Other taxes and social security	137	-
Accruals and deferred income	<u>864</u>	<u>2,446</u>
	<u>1,001</u>	<u>2,446</u>

Morag MacLaurin and The Big Lottery Fund have standard securities over the village shop for all sums due or to become due.

Tayvallich Community Company
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Notes to financial statements
for the year ended 31 October 2015

10. Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total funds £
Fund balances at 31 October 2015 as represented by:			
Intangible fixed assets	-	10,080	10,080
Tangible fixed assets	7,045	222,000	229,045
Current assets	7,958	-	7,958
Current liabilities	(1,001)	-	(1,001)
	<u>14,002</u>	<u>232,080</u>	<u>246,082</u>

11. Unrestricted funds

	At 1 November 2014 £	Incoming resources £	Outgoing resources £	At 31 October 2015 £
Unrestricted funds	<u>15,480</u>	<u>2,708</u>	<u>(4,186)</u>	<u>14,002</u>

12. Restricted funds

	At 1 November 2014 £	Outgoing resources £	At 31 October 2015 £
Purchase of shop	106,835	(5,627)	101,208
Purchase of goodwill	10,640	(560)	10,080
Purchase of fixtures/fittings	3,789	(1,463)	2,326
Improvements to shop	123,822	(5,356)	118,466
	<u>245,086</u>	<u>(13,006)</u>	<u>232,080</u>

Purposes of restricted funds

The restricted funds represent the cost of the purchase of the shop, fixtures and fittings and goodwill. The outgoing resources in the year represent the depreciation of the assets.

Improvements to property were funded partly by the Big Lottery Fund, and partly from general reserves.

Tayvallich Community Company
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Notes to financial statements
for the year ended 31 October 2015

13. Company limited by guarantee

Tayvallich Community Company is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.