

REGISTERED COMPANY NUMBER: SC591764 (Scotland)
REGISTERED CHARITY NUMBER: SC048240

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD 19 MARCH 2018 TO 31 MARCH 2019
FOR
IOLAIRE CENTRE LTD
(A COMPANY LIMITED BY GUARANTEE)**

Mann Judd Gordon Ltd
Chartered Accountants
26 Lewis Street
Stornoway
Isle of Lewis
HS1 2JF

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for the Period 19 March 2018 to 31 March 2019**

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**REPORT OF THE TRUSTEES
for the Period 19 March 2018 to 31 March 2019**

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 period 19 March 2018 to 31 March 2019. 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).

INCORPORATION

The charitable company was incorporated on 19 March 2018 and commenced trading on the same date.

OBJECTIVES AND ACTIVITIES

Objectives and aims

Our Charity's purpose as set out in the objects contained in the Company's Articles of Association is:

" The advancement of education and heritage in the Outer Hebrides including, without limitation, the establishment and management of a visitor centre in Stornoway, Isle of Lewis, to promote, inform and educate the local community and visitors about the Iolaire disaster ("the Visitor Centre"), particularly through the following activities:-

Identifying, collecting, preserving and increasing access to information and artefacts associated with the Iolaire disaster, and related cultural and social history;

Through interpretation, to provide a high quality re-telling of the Iolaire story and associated themes using a variety of innovative channels;

Working in partnership with bodies such as Lews Castle UHI, Comhairle nan Eilean Siar and local cultural and heritage organisations to provide opportunities for learning (such as exhibitions, conferences, talks and visits);

Providing a Visitor Centre that can bring cultural, economic and social benefits to the community of the Outer Hebrides, and to re-invest any profits derived from the project in the charitable aims of the company.

The Project will focus on achieving the following outcomes:-

To transform and regenerate the Islands through the heritage and story of the Iolaire.

Heritage will be identified and better explained.

People will learn about heritage, leading to change in ideas and actions.

People will have greater well-being.

The local area will be a better place to live, work, or visit.

To create a sustainable visitor experience in the Centre that is a dynamic cultural venue attracting visitors from all over the UK and the diaspora from the wider world.

Promote Gaelic language and Hebridean Island culture.

Be a catalyst for the wider Stornoway Vision regeneration.

We review our aims, objectives and activities each year. We look at what we have achieved and the outcome of our work in the previous 12 months. This review helps us to ensure our aims, objectives and activities remain focused on our stated purpose.

Significant activities

A working Group of key agencies in the Outer Hebrides has been put together to collaboratively support and drive the project, including Comhairle nan Eilean Siar and HIE as well as local historical societies.

Iolaire Centre Project Overview document booklet and presentational materials were produced and distributed.

An online public consultation survey was held.

Community Consultation Day took place in February 2018.

An online and social media presence has been established.

Primary project funding committed by Gael Force Group Ltd.

Secured match funding from HIE towards the early development phases.

A scoping exercise was produced in October 2018.

Iolaire Project Overview produced.

In December 2018 the Iolaire Centre Project moved from initiative to project planning stage.

Procedures in place to recruit a Project Manager to take the project forward.

**REPORT OF THE TRUSTEES
for the Period 19 March 2018 to 31 March 2019**

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Summary of the main achievements of the charity:

Land has been identified and will be made available to the Charity.
Project Overview booklet produced.
Consulted the local community, receiving 93% positive supportive responses.
Produced a Vision, Scoping Study, Business Plan and Socio-Economic Study.
Private funding secured with match funding from HIE towards the early development phases.
Started the process to recruit a Project Manager.

FINANCIAL REVIEW

Principal funding sources

In January 2019 Iolaire Centre Ltd received a £25,000 donation from the Gael Force Group Ltd. This donation has been matched by a commitment by Highlands and Islands Enterprise to make a similar sum available to assist with funding the realisation of the project plan to develop the Iolaire Centre. There is an additional but conditional funding pledge from the Gael Force Group to continue this level of funding for up to a total of four years subject to the charity making the satisfactory progress on project milestones and the Directors of the Company approving the donation annually.

The Charity will consider over the next year opening up a stream of public donations once the next stage of Iolaire Centre project planning is complete.

Investment policy and objectives

The Charity currently does not have an investment policy and the Trustees do not consider it necessary at this formative stage of the Charity to have an investment policy. Any funds raised will be to contribute towards the establishment of the proposed Iolaire Centre and this is likely to be the situation for several years.

Reserves policy

The Trustees consider at this early formative stage of the Charity that a fully developed reserves policy is not required beyond ensuring that there are sufficient funds secured and in hand to cover any committed expenses being incurred to develop the project plan to build the Iolaire Centre Ltd.

FUTURE PLANS

To recruit a Project Manager to take the project onto the next stage.
Develop a communication plan.
Develop a detailed business plan building on the work done during the scoping stage, to establish the commerciality and longevity of the Centre.
Complete a socio-economic impact assessment on the centre covering 1 year, 5 year and 10 year scenarios to quantify the impact of the Centre on the local economy and its people.
Engage with genealogy service providers including historical societies.
Develop communications via social media including content development and updates to the website.
Complete tender briefs and tender documentation for the appointment of project development team.
Tell the story of HMY Iolaire through dramatisation.
Develop a fundraising strategy and engage a consultant to take the strategy forward.
Follow up the National Lottery Heritage Fund regarding expression of interest submission made in 2018.

The Iolaire Centre will connect and engage with a diverse audience, providing an internationally significant museum experience; education, genealogy services, retail and catering. It will be located on Stornoway No. 1 Quay and tell the story of the Iolaire tragedy, including the context of the time, the islands' contribution to the war and its considerable maritime history. It will include the highest standard physical, and digital interpretation, and visitor facilities. It will be interactive and provide links to related sources of information, in particular, visitors' genealogical or historical links to those who were lost and who survived, and the diaspora created from the subsequent emigrations.

**REPORT OF THE TRUSTEES
for the Period 19 March 2018 to 31 March 2019**

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.

Iolaire Centre Ltd is a company limited by guarantee, as defined by the Companies Act 2006. It is governed by its Memorandum and Articles of Association dated 19 March 2018. It is registered with the Office of the Scottish Charity Regulator (OSCR).

Those wishing to join the Company as Members must sign, and lodge with the company, a written application for membership. The directors shall consider each application for membership at the first directors' meeting which is held after the receipt of the application; the directors shall, within a reasonable time after the meeting, notify the applicant of their decision on the application.

In the period to 31 March 2019 there were 2 subscriber members, each of whom agreed to contribute £1 in the event of the charity being wound up.

Recruitment and appointment of new trustees

The directors may be appointed by the members at the annual general meeting. The directors may at any time appoint any member to be a director. At each general meeting all of the directors shall retire from office but shall then be eligible for re-election. The maximum number of directors shall be 8 and the minimum shall be 2.

Organisational structure

The Directors have overall responsibility for the organisation and operation of the charity.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

SC591764 (Scotland)

Registered Charity number

SC048240

Registered office

Stornoway Port Authority
Amity House
Esplanade Quay
Stornoway
Isle of Lewis
HS1 2XS

Trustees

S Graham	Company Director	- appointed 19.3.18
M K Macdonald	Trustee	- appointed 19.3.18

Company Secretary

Independent examiner

Roderick Cunningham
The Institute of Chartered Accountants of Scotland
Mann Judd Gordon Ltd
Chartered Accountants
26 Lewis Street
Stornoway
Isle of Lewis
HS1 2JF

IOLAIRE CENTRE LTD

**REPORT OF THE TRUSTEES
for the Period 19 March 2018 to 31 March 2019**

Approved by order of the board of trustees on 21 November 2019 and signed on its behalf by:

M K Macdonald - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
IOLAIRE CENTRE LTD**

I report on the accounts for the period 19 March 2018 to 31 March 2019 set out on pages six to nine.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (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.

Roderick Cunningham
The Institute of Chartered Accountants of Scotland
Mann Judd Gordon Ltd
Chartered Accountants
26 Lewis Street
Stornoway
Isle of Lewis
HS1 2JF

21 November 2019

STATEMENT OF FINANCIAL ACTIVITIES
for the Period 19 March 2018 to 31 March 2019

	Notes	Unrestricted fund £
INCOME AND ENDOWMENTS FROM		
Donations and legacies	2	<u>25,000</u>
Total		25,000
 EXPENDITURE ON		
Other		<u>30</u>
NET INCOME		<u>24,970</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>24,970</u></u>

BALANCE SHEET
At 31 March 2019

	Notes	Unrestricted fund £
CURRENT ASSETS		
Cash at bank		<u>24,970</u>
NET CURRENT ASSETS		<u>24,970</u>
TOTAL ASSETS LESS CURRENT		
LIABILITIES		<u>24,970</u>
NET ASSETS		<u>24,970</u>
FUNDS	4	
Unrestricted funds		<u>24,970</u>
TOTAL FUNDS		<u>24,970</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the period ended 31 March 2019.

The members have not required the company to obtain an audit of its financial statements for the period ended 31 March 2019 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 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.
- (b)

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

The financial statements were approved by the Board of Trustees on 21 November 2019 and were signed on its behalf by:

M K Macdonald -Trustee

NOTES TO THE FINANCIAL STATEMENTS
for the Period 19 March 2018 to 31 March 2019

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.

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.

Taxation

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

Fund accounting

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

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

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

2. DONATIONS AND LEGACIES

Gifts

£
25,000

3. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the period ended 31 March 2019.

Trustees' expenses

There were no trustees' expenses paid for the period ended 31 March 2019.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Period 19 March 2018 to 31 March 2019

4. MOVEMENT IN FUNDS

	Net movement in funds £	At 31.3.19 £
Unrestricted funds		
General fund	24,970	24,970
TOTAL FUNDS	<u>24,970</u>	<u>24,970</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	25,000	(30)	24,970
TOTAL FUNDS	<u>25,000</u>	<u>(30)</u>	<u>24,970</u>

5. RELATED PARTY DISCLOSURES

There were no related party transactions for the period ended 31 March 2019.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.