

Company Reg. No. SC344544

Charity Reg. No. SCO39677

AVOCH HARBOUR TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
UNAUDITED REPORT FOR THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2018

FRIDAY



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**AVOCH HARBOUR TRUST LIMITED
(COMPANY LIMITED BY GUARANTEE)
TRUSTEES ANNUAL REPORT
YEAR ENDED 30 JUNE 2018**

The trustees, who are also directors for the purpose of company law, have pleasure in presenting their report and the unaudited financial statements for the year ended 30 June 2018.

OBJECTIVES AND ACTIVITIES

The companies' objects, as defined in the Memorandum of Association, are: -

- 1) For the benefit of the public to repair, maintain, conserve and preserve Avoch Harbour through the necessary rebuilding and restoration thereof; to advance public education concerning the history of Avoch Harbour; to advance public education concerning marine activities and safety; to provide or assist in the provision of facilities in the interest of social welfare for recreation and leisure-time occupation with the object of improving the conditions of life for inhabitants of Avoch and its environs; to advance citizenship or community development in Avoch and its environs through trade and industry or otherwise and to promote and/or provide training and skills of all kinds, particularly such skills as will assist in activities relating to the marine environment;
- 2) To support local and national initiatives which aim to preserve and develop harbours by improving mooring and recreational facilities;
- 3) To develop places of historical and conservational interest where public awareness may be obtained in relation to these objectives;
- 4) To employ others as and when it may be required for the purpose of achieving the Company's objects;
- 5) To encourage, arrange or conduct research concerning the conservation of said Avoch Harbour in general, and to publish the results of any such research;
- 6) To implement training courses, exhibitions and conferences as may be required from time to time to promote the objects of the company;
- 7) To develop community participation on a local and national level for the advancement of the Company's objects;
- 8) To secure the establishment, maintenance and management of a centre or centres for activities promoted by the Trust; and
- 9) To promote, establish and operate other schemes of a charitable nature for the benefit of the public of Avoch and its environs.

**AVOCH HARBOUR TRUST LIMITED
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TRUSTEES ANNUAL REPORT CONT'D
YEAR ENDED 30 JUNE 2018**

ACHIEVEMENTS AND PERFORMANCE

- 1) The planned major deepening works were carried out satisfactorily during the low spring tides in February and March 2018. Neighbouring properties had been advised of this as the work could only be carried out at low water and this could create noise disturbance, especially during night time. The contractor did keep this noise down to a minimum and there were no complaints regarding noise disturbance.
- 2) A water pipe has been laid, underground, to the inner east wall of the harbour servicing the maintenance berth.
- 3) A 75% grant was secured by the Trust Ltd. to offset the harbour deepening costs of £28,775 excluding VAT. The grant funding obtained was 56.25% from the European Structural & Investment Funds and 18.75% National Funding. The funding will be drawn down as expenditure is incurred.
- 4) Pontoons have been purchased from Lossiemouth harbour. These are being refurbished and will be installed during the low spring tides in February/March 2019 by a local engineering contractor. A 75% grant has been obtained to offset this installation work and will be drawn down when the work has been carried out.
- 5) The outer east end of the middle pier will be refaced with timber batons making it a safe to lie alongside at all states of the tide. This has been arranged, the timber has very kindly been donated by Rosehaugh Estate and work should commence before the end of the year using the same local contractor who will install the pontoons. This improvement will also be grant aided.
- 6) The harbour has been full all year and there is still a waiting list for berths. Installation of the pontoons in 2019 will increase the number of berths by 19/20 depending on the size of boats taking up berths.
- 7) The Trust expects that the extra income available from 2019 will allow us to construct a concrete slipway within the next few years.
- 8) Fishing activity has been much on a par with the previous year with crab, dog whelks and wrasse being the main species landed. Wrasse are sold to the salmon farming industry to reduce the numbers of sea lice on the farmed salmon.
- 9) Tourist numbers are similar to last year with the main interests being sea mammal and bird watching.
- 10) Leisure activities involving sport fishing and leisure craft showed a slight increase over the year.

**AVOCH HARBOUR TRUST LIMITED
(COMPANY LIMITED BY GUARANTEE)
TRUSTEES ANNUAL REPORT CONT'D
YEAR ENDED 30 JUNE 2018**

ACHIEVEMENTS AND PERFORMANCE (CONT'D)

- 11) The hard standing area was increased by over a third. This will allow for more boats to be over wintered and for more car parking during the summer season.
- 12) The Highland council have intimated that they will close the public toilets at the harbour. This will be very much to the detriment of the locals and tourists who use the harbour. The Trust will investigate whether or not we can take over the running of this facility.

FINANCIAL REVIEW

Income from charitable activities has decreased slightly by £1,270 from £18,473 in 2017 to £17,473 in 2018. The harbour continued to be busy but the dredging work carried out during the Spring impacted on the income for this period. European Grant income of £7,125 was received in June 2018 toward the dredging work carried out in preparation of extending the Pontoon.

Expenditure increased during the year by £10,251 to £30,372 (2017 £20,121) due to continued maintenance work and installation of the groyne at the harbour entrance. In addition, there was added expenditure in obtaining licences from Marine Scotland.

A deficit of £5,631 (2017 £44) arose during the year due to the dredging work carried out. Funds of £3,395 remain to carry forward to future periods. The full reserves balance of £3,395 is unrestricted.

Should AHT Ltd. cease to exist the cost of winding up the company would be negligible. Any remaining reserves would then automatically be transferred to Avoch Harbour Trust which maintains the legal ownership of the harbour.

PLANS FOR THE FUTURE

- 1) To build a concrete slipway to replace the existing rubble slipway.
- 2) To maximise income from the harbour dues to improve facilities such as toilets/ storage/meeting room/tearoom.
- 3) To maintain the harbour fabric and facilities preventing deterioration due to weather and usage.
- 4) Where possible to improve berthing facilities as such improvements are identified.

**AVOCH HARBOUR TRUST LIMITED
(COMPANY LIMITED BY GUARANTEE)
TRUSTEES ANNUAL REPORT CONT'D
YEAR ENDED 30 JUNE 2018**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The organisation is a charitable company limited by guarantee, incorporated on 18 June 2008. The Memorandum of Association establishes the objects and powers of the charitable company and it is governed under its articles of association. In the event of the company being wound up, members are required to contribute an amount not exceeding £1.

Recruitment and appointment of management committee

The Board of the charitable company is made up of individuals serving in a voluntary capacity.

The articles provide that there shall be a minimum of two directors.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees, (who are also the directors of Avoch Harbour Trust Ltd. for the purpose of Company Law), are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under the law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice, (United Kingdom Accounting Standards and Applicable Law). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that year. In preparing these financial statements the trustees are required to: -

- Select suitable accounting policies and then apply them consistently,
- Make judgements and estimates that are reasonable and prudent, and
- Prepare the financial statements on the going concern basis unless it is appropriate to presume that the charity will not continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**AVOCH HARBOUR TRUST LIMITED
(COMPANY LIMITED BY GUARANTEE)
TRUSTEES ANNUAL REPORT CONT'D
YEAR ENDED 30 JUNE 2018**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name	Avoch Harbour Trust Limited
Charity registration number	SCO39667
Company registration number	SCO344544
VAT registration number	120 9621 40
Registered office	11 Marine Park, North Kessock, Ross Shire, IV1 3XS

THE TRUSTEES

The trustees under charity law, who are also the directors under company law and who served the charity during this period were as follows: -

Mr. A. Jack (Chairman)
Mr. J. Mc Dougall (Company Secretary)
Mr. G. Tanner
Mr P. H. Shimmin
Mr. W. J. Skinner
Mr. T. H. Fraser
Mr. G. Patience

Bankers: - Royal Bank of Scotland, Dingwall branch, High St. Dingwall IV15 9SA

Solicitors: - Ferguson, Mc Sween & Stewart, 4 George St. Dingwall IV15 9SA

Independent Examiner: - Melissa J MacLennan CABA.

This report was approved by the trustees on 11/1/19 and signed on their behalf by: -



11/1/19.

James Forrest Mc Dougall – Company Secretary

**AVOCH HARBOUR TRUST LIMITED
(COMPANY LIMITED BY GUARANTEE)
INDEPENDENT EXAMINER'S REPORT
YEAR ENDED 30 JUNE 2018**

I report on the accounts of the charity for the year ended 30 June 2018 which are set out on the following pages.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors of the company for the 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 and the Charities Accounts (Scotland) Regulations 2006. The charity trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the 2006 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 2006 Accounts Regulations. 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 Accounts Regulations
- To prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations have not been met, or

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



**Melissa J MacLennan (MacLennan Accountants Ltd)
Member of The Institute of Chartered Accountants of Scotland**

AVOCH HARBOUR TRUST LIMITED
(COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)
YEAR ENDED 30 JUNE 2018

	Note	Total Funds 2018 £	Total Funds 2017 £
INCOMING RESOURCES			
Incoming resources from generated funds			
Donations & Legacies	3	7,265	1,420
Investments		3	2
Charitable activities	4	17,473	18,743
TOTAL INCOMING RESOURCES		24,741	20,165
RESOURCES EXPENDED			
Charitable activities	5	30,372	20,121
TOTAL RESOURCES EXPENDED		30,372	20,121
NET INCOMING RESOURCES BEFORE TRANSFERS	-	5,631	44
RECONCILIATION OF FUNDS			
Total funds brought forward		9,026	8,982
TOTAL FUNDS CARRIED FORWARD		3,395	9,026

The charitable company's operations are classed as continuing and recognised gains and losses and movement on reserves are shown above.

All funds are unrestricted.

The notes on pages 9 and 10 form part of the financial statements

AVOCH HARBOUR TRUST LIMITED
(COMPANY LIMITED BY GUARANTEE)

BALANCE SHEET
AS AT 30 JUNE 2018

	Note	Total Funds 2018 £	£	Total Funds 2017 £	£
CURRENT ASSETS					
Debtors	6	2,224		-	
Bank		<u>3,640</u>		<u>11,980</u>	
		5,864		11,980	
CREDITORS: Amounts due within one year	7	<u>- 1,724</u>		<u>- 2,209</u>	
NET CURRENT ASSETS			4,140		9,771
CREDITORS: Amounts due after more than one year	8		<u>- 745</u>		<u>- 745</u>
NET ASSETS			<u>3,395</u>		<u>9,026</u>
FUNDS					
Unrestricted funds	10		<u>3,395</u>		<u>9,026</u>
TOTAL FUNDS			<u>3,395</u>		<u>9,026</u>

The Trustees are satisfied that the charity is entitled to exemption from the provisions of the Companies Act (2006) (the Act) relating to the audit of the financial statements for the year by virtue of section 477, and that no member or members have requested an audit pursuant to Section 476 of the Act.

The Trustees acknowledge their responsibilities for :

- i. ensuring that the charity keeps adequate accounting records which comply with section 386 of the Act, and
- ii. preparing financial statements which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 393 and which otherwise comply with the requirements of the Act relating to financial statements, so far as is applicable to the charity.

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Charities SORP (FRS 102) update Bulletin 1.

These financial statements were approved by the members of the committee on

and are signed on their behalf by:

James Forrest McDougall - Company Secretary

J. F. McDougall 11/01/19.

The notes on pages 9 and 10 form part of these financial statements

AVOCH HARBOUR TRUST LIMITED
(COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS
YEAR ENDED 30 JUNE 2018

1 Basis of Accounting

The financial statements have been prepared under the historical cost convention, with items recognised at cost of transaction value, unless otherwise stated in the relevant notes(s) in accordance with:

- (a) The Charities Act 2011
- (b) The Charities and Trustee Investment (Scotland) Act 2005
- (c) The Charities Accounts (Scotland) Regulations 2006 (as amended)
- (d) The Companies Act 2016
- (e) Accounting & Reporting by Charities: Statement of Recommended Practice (Charities SORP (FRS 102) update Bulletin 1) (effective 1 January 2016)

2 Accounting Policies

Incoming Resources

Incoming resources relate to Harbour Dues and are recognised in the statement of financial activities when entitlement has passed to the charitable company and the amounts are certain and measurable.

- Investment Income (bank interest) is recognised when credited to the account
- Donations & Legacies are received by the way of grants, donations and gifts
- Income from charitable activities includes income as earned.

Resources Expended

Expenditure is recognised on the accruals basis as a liability is incurred. Expenditure is exclusive of VAT.

- 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.

Funds

Unrestricted funds - these represent funds held for the general purpose of the charitable company.

Creditors

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

3 Donations & Legacies

	Total 2018 £	Total 2017 £
Grant - European Union	7,125	-
Donations	140	1,420
Total	7,265	1,420

4 Incoming resources from charitable activities

	Total 2018 £	Total 2017 £
Harbour Dues	17,473	18,743
Total	17,473	18,743

5 Cost of charitable activities

	Total 2018 £	Total 2017 £
General operations	30,372	20,121
Total	30,372	20,121

6 Debtors

	Total 2018 £	Total 2017 £
VAT rebate due	2,224	-
Total	2,224	-

7 CREDITORS: Amounts due within one year

	Total 2018 £	Total 2017 £
Accruals	300	275
VAT due	-	268
Other creditors	424	666
Interest free loan from Avoch Harbour Trust	1,000	1,000
Total	1,724	2,209

AVOCH HARBOUR TRUST LIMITED
(COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS
YEAR ENDED 30 JUNE 2018

8	CREDITORS: Amounts due after more than one year	Total 2018 £	Total 2017 £
	Interest free loan from Avoch Harbour Trust	<u>745</u>	<u>745</u>
	Total	<u>745</u>	<u>745</u>

- 9** **Staff costs and emoluments**
No salaries or wages have been paid to employees, including members of the committee, during the year.

10	Movement on Funds	At 1 July 2017 £	Incoming Resources £	Resources Expended £	At 30 June 2018 £
	Unrestricted funds	8,026	24,741	30,372	3,395
	General Fund	<u>8,026</u>	<u>24,741</u>	<u>30,372</u>	<u>3,395</u>

11	Analysis of net assets between funds	Net current assets £	Total £
	Unrestricted income fund	<u>3,395</u>	<u>3,395</u>

- 12** **Related Party Transactions**
A total of £4,176 (2017 - £4,797) was paid to Dolphin Trips Avoch Ltd; a company owned and controlled by M Gwyn Tanner, who is also a trustee of Avoch Harbour Trust Limited.

In accordance with Section 67 of the Act the maximum amount of the payment made to Dolphin Avoch Trips Ltd for the provision of the service is set out in a written agreement and is reasonable in the circumstances. A majority of the Trustees (excluding Mr Tanner) agreed to the amount being paid to the company. Avoch Harbour Trust Ltd has retained the company Dolphin Trips Avoch Ltd to run the harbour on a day to day basis. For this service AHT paid Dolphin Trips Avoch Ltd the sum of £3,000 and £1,176 was paid for crane hire.

A number of Trustees berth their boats at the Avoch Harbour Trust pier and they all pay the standard berthing rates.

Except for Mr Tanner, no other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year ended 30 June 2018.

The Trustees neither received nor waived any emoluments during the year (2017 £Nil). A total of Nil (2017 £Nil) was paid to the Trustees for reimbursement of travel expenses.

- 13** **Company Limited by Guarantee**
The liability of the members is limited by guarantee. In the event of the charity being wound up during the period of membership or in the following year, members would be required to contribute an amount not exceeding £1.

- 14** **Taxation**
As a charity, Avoch Harbour Trust Ltd is exempt from tax on income and gains falling within Section 505 of the Taxes Act 1988 or S256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.
The charity has registered for VAT as of 1st October 2011.