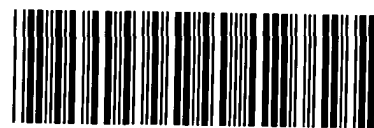


REGISTERED COMPANY NUMBER: SC398993 (Scotland)  
REGISTERED CHARITY NUMBER: SC042503

**REPORT OF THE TRUSTEES AND**  
**UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 MAY 2016**  
**FOR**  
**HEBRIDEAN CONNECTIONS**

CIB Services  
Chartered Accountants  
63 Kenneth Street  
Stornoway  
Isle of Lewis  
Western Isles  
HS1 2DS

SATURDAY



\*S610IQM0\*

SCT

25/02/2017

#48

COMPANIES HOUSE

**HEBRIDEAN CONNECTIONS**  
**CONTENTS OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MAY 2016**

---

	Page
Report of the Trustees	1 to 2
Independent Examiner's Report	3
Statement of Financial Activities	4
Balance Sheet	5 to 6
Notes to the Financial Statements	7 to 10

---

**HEBRIDEAN CONNECTIONS**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MAY 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 May 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 for Smaller Entities (the FRSE) (effective 1 January 2015).

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

The company's objects are to promote the advancement of education, arts, heritage and culture, and by the advancement of citizenship or community development, and any associated charitable purposes relative to the above, for the benefit of the community in the Hebrides and other areas with historical connections to the Hebrides that meet with the foregoing objects.

**Significant activities**

The trustees have secured funding which will enable the continuing development of the Hebridean Connections website.

**ACHIEVEMENT AND PERFORMANCE**

**Charitable activities**

The charity maintains and promotes the cultural heritage of the Hebrides through the Hebridean Connections website, a gateway to tens of thousands of freely available records about the people and places of the Western Isles.

**FINANCIAL REVIEW**

**Reserves policy**

The trustees consider that due to the funding commitments secured and the operational structure of the charity there is no requirement to hold significant levels of unrestricted reserves at the present time.

During the year the charity's resources expended exceeded incoming resources by £27,799 for the year (2015 £7,898). This represents an increase of £6 in unrestricted funds (2014 - £815 decrease) and a decrease of £27,805 in restricted funds (2015 - £7,083 decrease). A transfer of £11,115 from general to restricted also took place during the year to assist with working capital.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The organisation is a charitable company limited by guarantee, incorporated on 6 May 2011. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and 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 new trustees**

The directors of the company are also charity trustees for the purposes of charity law. Under the requirements of the Memorandum and Articles of Association the directors are appointed at the Annual General Meeting. One third of the directors must retire by rotation at each Annual General Meeting.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**

SC398993 (Scotland)

**Registered Charity number**

SC042503

**Registered office**

Ravenspoint  
Kershader  
Isle of Lewis  
HS2 9QA

**Trustees**

D Morrison  
I Macarthur  
I Mackay  
Mrs A Macsween

**HEBRIDEAN CONNECTIONS**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MAY 2016**

---

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Company Secretary**

Mrs A Macsween

**Independent examiner**

CIB Services

Chartered Accountants

63 Kenneth Street

Stornoway

Isle of Lewis

Western Isles

HS1 2DS

Approved by order of the board of trustees on 23 February 2017 and signed on its behalf by:

D Morrison - Trustee

A handwritten signature in black ink, appearing to read 'Denise Morrison', written in a cursive style.

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF**  
**HEBRIDEAN CONNECTIONS**

---

I report on the accounts for the year ended 31 May 2016 set out on pages four to ten.

**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.



Calum Macdonald  
Chartered Accountant (ICAS)  
CIB Services  
Chartered Accountants  
63 Kenneth Street  
Stornoway  
Isle of Lewis  
Western Isles  
HS1 2DS

23 February 2017

**HEBRIDEAN CONNECTIONS**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 MAY 2016**

	Notes	Unrestricted fund £	Restricted fund £	31.5.16 Total funds £	31.5.15 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	-	109,392	109,392	108,457
Investment income	3	6	-	6	19
<b>Total</b>		<b>6</b>	<b>109,392</b>	<b>109,398</b>	<b>108,476</b>
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>					
Local history		-	137,197	137,197	116,374
<b>NET INCOME/(EXPENDITURE)</b>		<b>6</b>	<b>(27,805)</b>	<b>(27,799)</b>	<b>(7,898)</b>
Transfers between funds	11	(11,115)	11,115	-	-
<b>Net movement in funds</b>		<b>(11,109)</b>	<b>(16,690)</b>	<b>(27,799)</b>	<b>(7,898)</b>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		15,707	43,156	58,863	66,761
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>4,598</b>	<b>26,466</b>	<b>31,064</b>	<b>58,863</b>

The notes form part of these financial statements

**HEBRIDEAN CONNECTIONS****BALANCE SHEET**  
**AT 31 MAY 2016**

	Notes	Unrestricted fund £	Restricted fund £	31.5.16 Total funds £	31.5.15 Total funds £
<b>FIXED ASSETS</b>					
Intangible assets	7	-	27,000	27,000	31,500
Tangible assets	8	-	-	-	851
		-	27,000	27,000	32,351
<b>CURRENT ASSETS</b>					
Debtors	9	-	126	126	18,065
Cash at bank		4,598	-	4,598	15,707
		4,598	126	4,724	33,772
<b>CREDITORS</b>					
Amounts falling due within one year	10	-	(660)	(660)	(7,260)
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		4,598	(534)	4,064	26,512
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		4,598	26,466	31,064	58,863
<b>NET ASSETS</b>		4,598	26,466	31,064	58,863
<b>FUNDS</b>	11				
Unrestricted funds				4,598	15,707
Restricted funds				26,466	43,156
<b>TOTAL FUNDS</b>				31,064	58,863

The notes form part of these financial statements

**HEBRIDEAN CONNECTIONS**

**BALANCE SHEET - CONTINUED**  
**AT 31 MAY 2016**

---

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

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

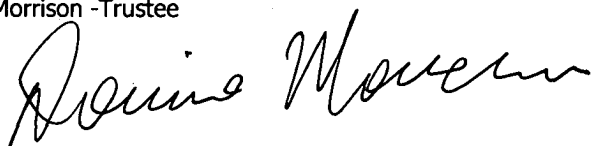
The trustees acknowledge their responsibilities for

- (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 and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved by the Board of Trustees on 23 February 2017 and were signed on its behalf by:

D Morrison -Trustee

A handwritten signature in black ink, appearing to read 'D Morrison', written over the printed name.

The notes form part of these financial statements



## **HEBRIDEAN CONNECTIONS**

### **NOTES TO THE FINANCIAL STATEMENTS** **FOR THE YEAR ENDED 31 MAY 2016**

#### **1. ACCOUNTING POLICIES**

##### **Basis of preparing the financial statements**

The financial statements of the charitable company have been prepared in accordance with the Charities SORP (FRSSE) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (the FRSSE) (effective 1 January 2015)', the Financial Reporting Standard for Smaller Entities (effective January 2015) 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.

##### **Tangible fixed assets**

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

Plant and machinery etc - 33% on cost

##### **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**

	<b>31.5.16</b>	<b>31.5.15</b>
	<b>£</b>	<b>£</b>
Donations	<b>1</b>	<b>98</b>
Grants	<b>109,391</b>	<b>108,359</b>
	<b>109,392</b>	<b>108,457</b>

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

	<b>31.5.16</b>	<b>31.5.15</b>
	<b>£</b>	<b>£</b>
Heritage Lottery Fund	<b>19,603</b>	<b>20,000</b>
Scottish Government People and Communities Fund	<b>64,026</b>	<b>85,409</b>
Comhairle nan Eilean Siar	<b>20,000</b>	<b>-</b>
SCVO	<b>5,450</b>	<b>2,950</b>
Scottish Civic Trust	<b>312</b>	<b>-</b>
	<b>109,391</b>	<b>108,359</b>

**HEBRIDEAN CONNECTIONS**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MAY 2016**

**3. INVESTMENT INCOME**

	<b>31.5.16</b>	31.5.15
	<b>£</b>	<b>£</b>
Deposit account interest	<b>6</b>	19
	<u>          </u>	<u>          </u>

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

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

	<b>31.5.16</b>	31.5.15
	<b>£</b>	<b>£</b>
Depreciation - owned assets	<b>851</b>	1,105
Computer software amortisation	<b>4,500</b>	4,500
	<u>          </u>	<u>          </u>

**5. TRUSTEES' REMUNERATION AND BENEFITS**

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

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 May 2016 nor for the year ended 31 May 2015.

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

	Unrestricted fund £	Restricted fund £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	<b>99</b>	<b>108,358</b>	108,457
Investment income	<b>19</b>	-	19
<b>Total</b>	<b>118</b>	<b>108,358</b>	108,476
 <b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
Local history	-	<b>116,374</b>	116,374
<b>Total</b>	-	<b>116,374</b>	116,374
 <b>NET INCOME/(EXPENDITURE)</b>	<b>118</b>	<b>(8,016)</b>	(7,898)
<b>Transfers between funds</b>	<b>(933)</b>	<b>933</b>	-
 <b>Net movement in funds</b>	<b>(815)</b>	<b>(7,083)</b>	(7,898)
 <b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	<b>16,522</b>	<b>50,239</b>	66,761
 <b>TOTAL FUNDS CARRIED FORWARD</b>	<b>15,707</b>	<b>43,156</b>	58,863

**HEBRIDEAN CONNECTIONS**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MAY 2016**

**7. INTANGIBLE FIXED ASSETS**

	Other intangible assets £
<b>COST</b>	
At 1 June 2015 and 31 May 2016	<b>45,000</b>
<b>AMORTISATION</b>	
At 1 June 2015	<b>13,500</b>
Charge for year	<b>4,500</b>
At 31 May 2016	<b>18,000</b>
<b>NET BOOK VALUE</b>	
At 31 May 2016	<b>27,000</b>
At 31 May 2015	<b>31,500</b>

**8. TANGIBLE FIXED ASSETS**

	Plant and machinery etc £
<b>COST</b>	
At 1 June 2015 and 31 May 2016	<b>3,316</b>
<b>DEPRECIATION</b>	
At 1 June 2015	<b>2,465</b>
Charge for year	<b>851</b>
At 31 May 2016	<b>3,316</b>
<b>NET BOOK VALUE</b>	
At 31 May 2016	<b>-</b>
At 31 May 2015	<b>851</b>

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

	31.5.16 £	31.5.15 £
Other debtors	<b>126</b>	<b>18,065</b>

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

	31.5.16 £	31.5.15 £
Trade creditors	-	6,600
Other creditors	<b>660</b>	<b>660</b>
	<b>660</b>	<b>7,260</b>

## **HEBRIDEAN CONNECTIONS**

### **NOTES TO THE FINANCIAL STATEMENTS - CONTINUED** **FOR THE YEAR ENDED 31 MAY 2016**

#### **11. MOVEMENT IN FUNDS**

	<b>At 1.6.15</b>	<b>Net</b>	<b>Transfers</b>	<b>At 31.5.16</b>
	<b>£</b>	<b>movement in</b>	<b>between</b>	<b>£</b>
		<b>funds</b>	<b>funds</b>	
		<b>£</b>	<b>£</b>	
<b>Unrestricted funds</b>				
General fund	15,707	6	(11,115)	4,598
<b>Restricted funds</b>				
Restricted Fund	43,156	(27,805)	11,115	26,466
<b>TOTAL FUNDS</b>	<u>58,863</u>	<u>(27,799)</u>	<u>-</u>	<u>31,064</u>

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

	<b>Incoming</b>	<b>Resources</b>	<b>Movement in</b>
	<b>resources</b>	<b>expended</b>	<b>funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Unrestricted funds</b>			
General fund	6	-	6
<b>Restricted funds</b>			
Restricted Fund	109,392	(137,197)	(27,805)
<b>TOTAL FUNDS</b>	<u>109,398</u>	<u>(137,197)</u>	<u>(27,799)</u>

#### **12. RELATED PARTY DISCLOSURES**

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

#### **13. RESTRICTED FUNDS**

Restricted funds hold funding received to maintain the Hebridean Connections website and complementary IT support services.

Funds of £11,115 were transferred from general fund to restricted funds to assist with working capital during the year.